



# ***Daily Report***

---

## **China**

**FBIS-CHI-95-125  
Thursday  
29 June 1995**

**This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.**

# Daily Report

## China

FBIS-CHI-95-125

### CONTENTS

29 June 1995

**NOTICE:** An \* indicates material not disseminated in electronic form.

#### INTERNATIONAL AFFAIRS

##### General

Foreign Ministry Holds Regular News Conference .....	1
U.S. 'Effective Actions' Urged [XINHUA] .....	1
Group to Visit Baltics, Ukraine [XINHUA] .....	1
Comments From 27 Jun Briefing [Beijing International] .....	1
UN Report: Beijing First in Economic Growth [XINHUA] .....	1
Beijing Stresses Role of UN Council [XINHUA] .....	2
Li Ruihuan Leaves Latin America, Stops in Fiji [XINHUA] .....	2
Conference Reports 50,000 Builders Working Abroad [XINHUA] .....	3
Guizhou Leader Meets Visiting Scholars' Group [Guiyang Radio] .....	3

##### United States & Canada

U.S. Efforts Seen as 'Insignificant Gestures' [ZHONGGUO XINWEN SHE] .....	3
---	---

##### Central Eurasia

Li Peng Continues Central Eurasian Visit .....	4
Visits Institute of Dynamics [XINHUA] .....	4
Holds Interview [XINHUA] .....	5
'Roundup' Views Visit [XINHUA] .....	7
'Text' of Joint Communique [XINHUA] .....	8
Ends Visit, Returns to Beijing [XINHUA] .....	9
Reaction to Li Peng's Visit .....	10
Visit Hailed [XINHUA] .....	10
Visit Called 'Successful' [XINHUA] .....	11

##### Northeast Asia

Li Tieying Receives Japanese Visitors [XINHUA] .....	12
Sino-Japanese Cooperation To Focus on Environment [CHINA DAILY 27 Jun] .....	13
Japanese Official Reports Agreement on Forum [Tokyo KYODO] .....	13
Japan-DPRK Rice Aid Agreement Viewed [Beijing International] .....	13

##### Southeast Asia & Pacific

Further Coverage on Hijacked Ship .....	14
Owners 'Warned Off' [Hong Kong EASTERN EXPRESS 29 Jun] .....	14
Beijing Orders Probe [Hong Kong HONGKONG STANDARD 29 Jun] .....	14
Burmese Tourism Minister Leaves for China [XINHUA] .....	15
Agricultural Agreement Signed With Burma [XINHUA] .....	15
Cambodian King Visits Beijing for Medical Checkup [XINHUA] .....	15
Sihanouk Arrives 29 Jun [XINHUA] .....	15



Zou Jiahua Continues Singapore Visit .....	15
Addresses Businessmen, Officials [XINHUA] .....	15
Cites Growth, Benefits [Singapore THE STRAITS TIMES 27 Jun] .....	16
Ends 'Very Successful' Trip [XINHUA] .....	17
Chinese Defense Minister Arrives in Thailand [XINHUA] .....	17
Australian Delegation to Women's Conference Named [XINHUA] .....	17

## West Europe

Qian Briefs Official on Converting Military Sites [XINHUA] .....	17
Aviation Director Meets Norwegian Prime Minister [XINHUA] .....	18
Li Lanqing Continues Sweden Visit .....	18
Calls For More Cooperation [XINHUA] .....	18
Loan Memorandum Signed [XINHUA] .....	18
Chi Haotian Receives Turkish Military Delegation [XINHUA] .....	19

## Latin America & Caribbean

Li Ruihuan Continues Latin America Visit .....	19
Visits Brazilian Power Plant [XINHUA] .....	19
Departs Chile for Beijing [XINHUA] .....	19
Jiang Chunyun Meets Uruguayan Trade Delegation [XINHUA] .....	20

## NATIONAL AFFAIRS

### Political & Social

Officials Greet Zou Jiahua on Return to Beijing [XINHUA] .....	21
Deng Theory Study Activities Launched [XINHUA] .....	21
Movie Planned Featuring Mao's Life [XINHUA] .....	23
Peasants Build Temple Dedicated to Mao Zedong, Others [Tokyo KYODO] .....	23
Population Shift Raises Living Standards in Ningxia [XINHUA] .....	23
Nation Launches 'Massive' Anti-Drug Campaign [XINHUA] .....	24
Trade Management Forum 1995 Opens in Beijing [XINHUA] .....	24
Crime and Punishment in PRC for 15-28 Jun [ZHONGGUO XINWEN SHE, etc] .....	25

### Science & Technology

Shandong Secretary Speaks on Science, Technology [Jinan Radio] .....	31
--	----

### Military & Public Security

Xinjiang Frontier Guards Start Helicopter Patrol [JIEFANGJUN BAO 15 Jun] .....	32
*Stock System Interferes With Reserve Training [ZHONGGUO MINBING 9 Mar] .....	33
*Nanjing MR Political Commissar Fang Zuqi Profiled [Hong Kong KUANG-CHIAO CHING 16 May] .....	34
*Xinjiang Militia Reportedly Guards Railroads [GUOFANG 15 Apr] .....	36
*Article Compares Aircraft Carrier Launch Modes [JIANCHUAN ZHISHI 8 Feb] .....	38

## ECONOMIC AFFAIRS

### General

Qian Qichen Urges Development of Tourism [XINHUA]	41
Wu Bangguo on Improving Enterprise Management [RENMIN RIBAO 26 Mar]	41
NPC Lawmaker Says Encourage Airplane Industry [XINHUA]	50
Official Measures Stabilize Property Market [CHINA DAILY 27 Jun]	50
Ministries Join Efforts To Curb Smuggling [CHINA DAILY 28 Jun]	51
Economic Cooperation Helps Growth in Western Provinces [XINHUA]	52
Corporation Sets Up Automobile Department [CHINA DAILY 26 Jun]	52
Warning Notice on Possible Marine Disasters [XINHUA]	53
Large Coal Discovery Made in Ordos Basin Area [XINHUA]	53

### Finance & Banking

NPC Panels Discuss Draft Economic Laws [XINHUA]	53
First Urban Cooperative Bank Opens in Shenzhen [XINHUA]	54
Construction Bank Plans To Become Fully Commercial [CHINA DAILY 26 Jun]	54
Huaxia Bank Opens Branch in Zhejiang Province [XINHUA]	55
Jiangsu Reports Net Money Withdrawal [XINHUA]	55
New Credit Card Issued in Guangzhou [XINHUA]	55

### Foreign Trade & Investment

Report on Success of AT&T Joint Venture [XINHUA]	56
U.S. Company To Build Large Chemical Plant [XINHUA]	56
U.S. Auto Firm Sets Up Company in Jilin Province [XINHUA]	56
Li Tieying Meets Japanese Business Delegation [XINHUA]	57
Netherlands Firm To Open Joint Venture [XINHUA]	57
Swedish ABB Group To Open 2d, 3d Operations [XINHUA]	57
Sino-Singapore Joint Packaging Venture Opens [XINHUA]	58
Super Data-Controlled Switchboards Pass Inspection [XINHUA]	58
Jiangsu Paper-Making Joint Venture Starts Operation [XINHUA]	58
Sino-Foreign Airport Ground-Service Business Set Up [XINHUA]	58
'Great Success' Claimed in Fighting IPR Piracy [XINHUA]	59
Guangzhou Trade Fair Scheduled for 5-11 Jul [XINHUA]	59

### Agriculture

Wang Bingqian Urges Nation To Help Cut Soil Erosion [XINHUA]	59
Qinghai Launches IFAD-Aided Agricultural Project [XINHUA]	60
Fruit Exports Reported Increasing [XINHUA]	60

## REGIONAL AFFAIRS

### East Region

Fujian Stresses Cadres' Role in Family Planning [Fuzhou Radio]	61
Tourism Projects Lead Fujian Island Development [XINHUA]	61
Jiangsu Committee's Plan To Implement 'Outline' [XINHUA]	61
Jiangsu Cracks Down on Illegal Radio Stations [XINHUA RIBAO 5 Jun]	62
Jiangsu Province Builds Second Expressway [XINHUA]	63
Shandong Begins Cable TV Station Operation [Jinan Radio]	63
Zhejiang Promotes Population Policy in Schools [XINHUA]	63
Report Views Zhejiang's Environmental Protection [XINHUA]	64

### Central-South Region

Beijing Intervenes in Shenzhen Kidnap Case [ <i>Hong Kong EASTERN EXPRESS 29 Jun</i> ] .....	64
Guangxi Relays National Sci-Tech Guidelines [ <i>Nanning Radio</i> ] .....	65
Hainan Focuses on Key Capital Projects [ <i>XINHUA</i> ] .....	65

#### Southwest Region

Further Reportage on Tibet Work Report .....	66
Part III, Continued [ <i>Lhasa TV</i> ] .....	66
More on Part III [ <i>Lhasa TV</i> ] .....	67
Gao Yan Replaces Pu Chaozhu as Yunnan Chief [ <i>Kunming Radio</i> ] .....	68

#### Northwest Region

Xinjiang's Abdulahat Abdurixit Addresses Meeting [ <i>XINJIANG RIBAO 13 Jun</i> ] .....	69
Xinjiang 'Expected' To Become Future Oil Base [ <i>XINHUA</i> ] .....	69

#### PRC MEDIA ON TAIWAN AFFAIRS

XINHUA Commentary Views Li's Actions .....	71
--	----

#### TAIWAN

Lien Chan Comments on Mainland .....	72
Criticizes System [ <i>Taipei Radio</i> ] .....	72
Calls Beijing 'Totalitarian' [ <i>CNA</i> ] .....	72
Official Rejects Hong Kong-Style Reunification [ <i>AFP</i> ] .....	72
Li Decides To Postpone Overseas Travel [ <i>Taipei TZU-LI WAN-PAO 20 Jun</i> ] .....	73
Chien Fu Says Taiwan Entitled To Enter UN [ <i>Taipei LIEN-HO PAO 27 Jun</i> ] .....	73
Taiwan To Use Fund To Help Countries [ <i>CNA</i> ] .....	74
Mutual Trust Key To Cross-Strait Relations [ <i>CNA</i> ] .....	74
Commission Approves \$245 Million in Investments [ <i>CNA</i> ] .....	75
Trade With Mainland Continues To Increase [ <i>CNA</i> ] .....	75
Chiang Travels To Geneva To Outline 'Hub Plan' [ <i>CNA</i> ] .....	76
Minister Says Anticorruption Drive Paying Off [ <i>CNA</i> ] .....	76



## General

### Foreign Ministry Holds Regular News Conference

#### U.S. 'Effective Actions' Urged

OW2906092195 Beijing XINHUA in English  
0914 GMT 29 Jun 95

[FBIS Transcribed Text] Beijing, June 29 (XINHUA) — A Chinese Foreign Ministry Spokesman today urged the United States to take effective actions to completely remove the deleterious effects of Lee Teng-hui's [Li Teng-hui] visit to the U.S. and return to the right course of the three Sino-U.S. Joint Communiques.

When asked to comment on the statement by U.S. Assistant State Secretary Winston Lord that the U.S. hoped to improve its relations with China, but the possibility for the two countries to become long-term adversaries could not be ruled out, and the U.S. might have to turn, with other Western countries, to a policy of containment, the spokesman, Chen Jian, said: "we have taken note of the remarks made by Mr. Lord."

At a press conference here this afternoon, he said that the current state of Sino-U.S. Relations is the sole making of the U.S. side.

"What the U.S. side should do now is to take effective actions to completely remove the deleterious effects of Lee Teng-hui's visit to the U.S. and return to the right course of the three Sino-U.S. Joint Communiques," he said.

The Spokesman said that the Cold War containment policy, directed against other countries, has proven bankrupt and should be discarded resolutely.

"Any attempt by the United States to threaten with containment, run against the trend of history and turn Sino-U.S. Relations into a relationship of confrontation is very dangerous and doomed to failure," he added.

#### Group to Visit Baltics, Ukraine

OW2906085695 Beijing XINHUA in English  
0847 GMT 29 Jun 95

[FBIS Transcribed Text] Beijing, June 29 (XINHUA) — A delegation of China's National People's Congress headed by Vice-Chairman of its Standing Committee Wang Hanbin, will pay an official goodwill visit to Latvia, Lithuania and Ukraine from July 6 to 21.

Wang and his delegation have been invited by the Parliament of the Republic of Latvia, the Seimas of the Republic of Lithuania and the Supreme Soviet of Ukraine.

This was announced by Foreign Ministry Spokesman Chen Jian at a press conference here this afternoon.

#### Comments From 27 Jun Briefing

OW2806131795 Beijing China Radio International  
in Mandarin to Asia 0900 GMT 28 Jun 95

[From the "Report on Current Events" program]

[FBIS Translated Text] At a press briefing on 27 June, Chinese Foreign Ministry spokesman Chen Jian answered a reporter's question about whether there would be any impact on Sino-British relations and about Chinese Foreign Minister Qian Qichen's visit to England in the wake of high-level changes in the British ruling party. Chen Jian said: We have been aware of the changes within the British Conservative Party. We hold that it is Britain's internal affair. The British side has repeatedly invited Vice Premier Qian Qichen to visit England. At present, the two sides are negotiating on the specific time and arrangements for the visit. We hold that the strengthening of cooperation between China and Britain accords with the interests of the people of the two countries, especially cooperation on the Hong Kong issue, because such cooperation not only accords with the interests of the Chinese and British people but also conforms to a smooth transition in Hong Kong.

#### UN Report: Beijing First in Economic Growth

OW2806235295 Beijing XINHUA in English  
2306 GMT 28 Jun 95

[FBIS Transcribed Text] United Nations, June 28 (XINHUA) — A new economic and social survey of the United Nations indicates that the economic growth of China in 1995 stands first in the world.

The report says that as in years past, the rapidly growing economies are concentrated in Asia.

The developing countries and regions with the highest expected growth rates in 1995 include China, Vietnam, Singapore, Thailand, Malaysia, the Republic of Korea, Indonesia, Taiwan Province of China, Papua New Guinea, Myanmar [Burma], Sri Lanka, Tunisia, Uganda, India and the Philippines, the report noted.

World Economic and Social Survey 1995 was written by the Department for Economic and Social Information and Policy Analysis. It will be released in early July.

Among the findings of the 1995 Survey are:

1. World economic growth is cruising at a sustainable 3 percent a year.
2. By 1996, the transition economies will enter their first year of overall economic growth since the end of Cold War.

3. For the next 15 years, oil supplies will meet world demand at prices comparable to today's, etc.

**Beijing Stresses Role of UN Council**

OW2806235395 Beijing XINHUA in English  
2114 GMT 28 Jun 95

[FBIS Transcribed Text] Geneva, June 28 (XINHUA) — China said today that the United Nations Economic and Social Council (ECOSOC) should play a central role in co-ordinating the follow-up within UN system to results and agreements of major international conferences on social and economic issues.

"ECOSOC should play a central role in co-ordinating the relevant follow-up by the UN system", Jin Yongjian, deputy head of the Chinese delegation in Geneva, told the 1995 substantive ECOSOC session that would run from June 26 to July 28 here.

"In particular, it should adopt an integrated approach in its co-ordination towards, and provide correct guidance on those cross-cutting and cross-sectoral issues, including the promotion of international co-operation in the fields of trade, finance, and technology, and in urging developed countries to honor the commitments they've entered into in such fields", he said.

Jin said it is "of critical importance" that the United Nations should well co-ordinate, within its own system, the follow-up to all the results and agreements of the international conferences covering economic and social issues.

This "represents an important driving force for international co-operation for development."

He stressed that a co-ordinated follow-up should be comprehensive and cover such core areas as economic growth, trade, finance, and science and technology.

The Chinese ambassador also emphasized that "One must give full weight to the promotion of the economic growth and development of developing countries, a theme that has run through all major international conferences and their documents."

Meanwhile, Jin also called for strengthened functions of UN agencies and increased cooperation among them as well as the fulfilment of commitments by developed countries to help finance relevant programs.

He stressed that only with guaranteed financial and human resources can the co-ordination endeavour be expected to succeed.

**Li Ruihuan Leaves Latin America, Stops in Fiji**

OW2906103795 Beijing XINHUA in English  
1022 GMT 29 Jun 95

[FBIS Transcribed Text] Nadi, FIJI, June 29 (XINHUA) — CPPCC Chairman Li Ruihuan's official and goodwill visit to Cuba, Jamaica, Brazil and Chile has reached the objective and is very successful, a senior Chinese official said Wednesday [28 June].

Zhu Xun, Secretary-General of the National committee of the Chinese People's Political Consultative Conference (CPPCC), made the statement at a meeting with reporters aboard Li's special plane on the way from Santiago to Beijing.

The CPPCC chairman has just concluded his Latin America visit, which began on June 12 and ended Wednesday.

Zhu said: "Li's visit to Latin America, the first ever by a CPPCC chairman since the founding of the People's Republic of China in 1949, has reached the goal of promoting exchanges of high-level visits between China and the four Latin American nations, deepening mutual understanding, expanding interflow and cooperation and fostering mutually beneficial development."

"The Latin American trip is very successful," he said.

During the trip, Zhu said, the Chinese leader exchanged views with leaders of the four countries on bilateral, regional and international issues.

They shared common views on many bilateral and world issues, Zhu said.

Their talks focused on ways to further cooperation between China and the four Latin American countries in political, economic, trade, cultural and other fields, he said.

"Both sides have expressed their willingness to further develop the existing friendship and cooperation," he said.

In their talks, Li outlined the role of the CPPCC in China's political life and the nation's economic construction, Zhu said.

The CPPCC chairman also met with the Chinese community and students studying in the four countries.

Li called on the overseas Chinese to "act as a bridge" for the consolidation and promotion of mutually beneficial cooperation between China and the four Latin American countries.

In Santiago, Li addressed the UN Economic Commission For Latin America and Caribbean on China's reform and opening to the outside world.

In his speech, Li briefed the participants at the meeting about China's positive and negative experience in the process of reform and opening to the outside world.

Zhu told reporters that he believes that the CPPCC chairman's tour will give an impetus to China's relations and cooperation with Latin American countries.

Li arrived here Thursday for a stop-over and is expected to arrive in Beijing on July 1.

He was greeted by Fiji's parliament leaders when he arrived here tonight.

#### **Conference Reports 50,000 Builders Working Abroad**

OW2906055995 Beijing XINHUA in English  
0541 GMT 29 Jun 95

[FBIS Transcribed Text] Chengdu, June 29 (XINHUA) — China now has 50,000 building workers working abroad, it was learned here today.

They are erecting skyscrapers and constructing bridges in 160 countries and regions, according to an on-going national conference on labor export.

Chinese builders have completed a business volume of 15 billion US dollars over the past ten years, the meeting revealed.

The business has helped boost other kinds of exports, including raw materials, machinery and equipment.

#### **Guizhou Leader Meets Visiting Scholars' Group**

HK2906074095 Guiyang Guizhou People's Radio  
Network in Mandarin 2300 GMT 21 Jun 95

[FBIS Translated Text] Yesterday afternoon [21 June], provincial party Secretary Liu Fangren met in Guiyang with 10 scholars who are attending the Fourth International Symposium on the opening up in south-west China, and on its relations with south and South-east Asia. The symposium currently is being held in Guiyang.

On behalf of the provincial CPC committee and government, Liu Fangren accorded his welcome to professors and experts who are from Hong Kong, Singapore, Vietnam, Russia, Taiwan and so on. He also briefed them on our basic provincial conditions; the development of agriculture, industry and the nonpublic economy; and our opening up to the outside world.

Liu Fangren also hoped that through the international symposium now being held in Guizhou and through efforts made by the above-mentioned experts and scholars, Guizhou will be able to forge closer ties with the south and Southeast Asian regions in various aspects.

Huang Chi-lien, professor of Hong Kong Baptist University and chairman of the 21st Century Asia-Pacific Association in Hong Kong, and the other scholars made many good suggestions on our province's opening up to the outside world, attraction of foreign investments, import of foreign capital, training of qualified personnel, infrastructure projects, market development, and so on.

Those who attended the meeting also included Vice Governor Wang Guangxian, member of the provincial CPC committee standing committee, and Zhang Peiliang, secretary general of the general office of the provincial CPC committee.

#### **United States & Canada**

##### **U.S. Efforts Seen as 'Insignificant Gestures'**

HK2906030195 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1203 GMT 23 Jun 95

["Commentary" by reporter Chen Dawei (7115 1129 4850): "To Make Amends for the Damage Done to Its Relations With China, the United States Must Give Up Its Cold War Mode of Thinking"]

[FBIS Translated Text] New York, 23 Jun (ZHONGGUO XINWEN SHE) — By acting in contravention of the principles stipulated in the three Sino-U.S. joint communiques, and by granting Li Denghui [Li Tenghui] an entry visa, the U.S. Government has compelled the Chinese side to make a strong response, thus cooling bilateral relations to their lowest point since the two countries established diplomatic ties. Some U.S. politicians said: We thought the incident would create only several minor frictions, but contrary to our expectations it has led to a "traffic accident" [che huo 6508 4393]. Accordingly, the political circles and the media began talking about "patching up" U.S.-Chinese relations.

An analyst here pointed out: The recent U.S. move has shaken the principled foundation for the maintenance of Sino-U.S. relations over the last 16 years. Insignificant gestures designed to make amends for the damage done will not solve the problem once and for all. To restore trust and cooperation between the two countries, the most important thing the U.S. side must do is to completely give up its Cold War mode of thinking, and to handle its relations with China prudently and in strict accordance with the principles laid down in the three joint communiques.

Since the end of the Cold War, the world has begun to move out of the shadow of two superpowers' scrambling for supremacy and of the arms race; there has been an increasingly louder appeal for the establishment of a new world order, and joint efforts to promote peace



and development have become the consensus of most countries and people.

Some people in the United States, however, have failed to break away from the Cold War mode of thinking to which they had been accustomed for many years. Since the disintegration of the Soviet Union, which confronted the United States for scores of years, the United States has seen China as its "potential rival" most likely to challenge its hegemony status. According to U.S. media, the "Report on Strategic Regulation for East Asia" — which was jointly edited by the National Security Council, the Department of State, the Department of Defense, the Senate Foreign Relations Committee, and the House Foreign Affairs Committee — pointed out that "China will threaten U.S. security in 10 years." In light of this argument, the United States in recent years actually has gradually carried out its plans to deter China. People can understand this from what has happened in the area around China in the recent period.

Clearly, Taiwan plays a unique and important role in carrying out the U.S. strategy of deterring China. In the eyes of those who formulated the strategy, utilizing Taiwan to contain mainland China can bring many benefits to the United States. So the U.S. side did not hesitate to join hands with Li Denghui in staging a farce of creating "two Chinas" or "one China, one Taiwan" at a time it considered fitting, thereby abandoning the principles contained in the three joint communiques and going back on its commitments that only several days previously it had promised to honor.

The incident that seriously hurt the Chinese people's national feelings and undermined the foundation of Sino-U.S. relations was created entirely by the U.S. side. Nevertheless, the U.S. side has expressed willingness to "make amends" for the damage done to bilateral relations. Judged by this move, people cannot help but feel that the U.S. side is being hypocritical.

Just as some statesmen with foresight have pointed out: Sino-U.S. relations are based on major common interests. In the post-Cold War era, the economies of China — as the biggest developing country — and the United States — as the biggest developed country — are complementary to a great extent. In addition, the two countries need to cooperate with each other in handling many global affairs. Since the two countries established diplomatic ties, the Chinese side has made great efforts to develop bilateral relations, and has come up with a 16-character principle — "enhancing confidence, reducing trouble, expanding cooperation, and avoiding confrontation" — as a guide for handling ties. Some people in the United States, however, have stuck to their Cold War mode of thinking, and always

have looked at China as their enemy and at themselves as overloads. The U.S. side is entirely to blame for the present state of Sino-U.S. relations.

It appears that some U.S. policy-makers have felt it necessary to resolve the deadlock, but if they do not thoroughly discard the Cold War mode of thinking, which has struck root deep in their minds, their so-called "remedial" measures will serve as only a superficial job at most.

### Central Eurasia

#### Li Peng Continues Central Eurasian Visit

##### Visits Institute of Dynamics

OW2906095495 Beijing XINHUA Domestic Service  
in Chinese 1617 GMT 27 Jun 95

['Newsletter' by Zhang Tiegang (1728 6993 6921):  
"Premier Li Peng Visits Alma Mater"]

[FBIS Translated Excerpt] Moscow, 27 Jun (XINHUA) — On 27 June 1995, the Moscow Institute of Dynamics, which has been known as the cradle of dynamics technology experts, was in a jubilant atmosphere. Chinese Premier Li Peng, who was currently on a formal visit to Russia, once again came to his alma mater, which he had not seen for many years.

At 1215, Premier Li Peng arrived at the tree-studded Moscow Institute of Dynamics, located in the eastern part of Moscow. After he got out of the car, the premier, raising his head, affectionately looked at his alma mater where he studied hard for more than five years 41 years ago. Although the school buildings appeared old, their magnificence remained. Greeting the old alumnus at the entrance of the main building were many joyful faces. President (Amekistov) of the institute warmly shook hands with Li Peng amid loud applause from the institute's teaching staff and students. Li Peng waved to them. [passage omitted]

Li Peng cordially chatted with (Amekistov) in Russian while they walked to the second floor. At a classroom of the Hydropower Engineering Department, in which Li Peng studied, department head (Visarionov) recounted the Chinese premier's study in the department, and briefed the guests on the department's changes over the past decades.

Vice Premier Wu Bangguo smilingly asked Li Peng "Which was your seat?" Li Peng, with smile, tapped the middle desk of the first row in front of him. Wu Bangguo then said to (Visarionov), "You not only helped China train an electric power expert, but also our premier." When (Visarionov) expressed the

wish to exchange and cooperate with China's Qinghua University and other schools of higher learning. Li Peng said "Vice Premier Wu is a graduate of Qinghua University." Before leaving the classroom, Premier Li Peng and his wife Zhu Lin posed for a photo by his old desk.

The music of the "Song of University Students" filled the main auditorium on the third floor. Premier Li Peng walked into the auditorium amid applause and cheers. President (Amekistov) announced the opening of the ceremony for awarding Premier Li an honorary doctorate. Among the audience were dozens of Li Peng's schoolmates of the institute.

While recounting Li Peng's days in the institute, Vice President (Smolskiy) of the institute said: Although Li Peng majored in hydropower engineering, he also studied other subjects very hard. He not only excelled in study, but also did a great deal of social work. Li Peng was the president of the Federation of Chinese Students in the USSR.

By tradition, President (Amekistov) asked Li Peng two questions. He first asked "To strengthen the friendly ties between people all over the world, are you willing to contribute your strength, knowledge, and experience to the world's educational, cultural, and scientific development?" Li Peng answered in Russian "Yes, I am." (Amekistov) then asked "Are you willing to cooperate with the Moscow Institute of Dynamics to improve the quality of its teaching, to raise the level of its scientific research, and to strengthen its ties with Chinese colleges and units?" Premier Li Peng answered in Russian: "Yes, I will address myself toward this end."

President (Amekistov) then presented Premier Li Peng with an honorary doctoral certificate, a badge, and keepsake; and presented flowers to Comrade Zhu Lin. President (Jiyakov) of the International Institute of Dynamics Science also presented a certificate of honor to Li Peng. On behalf of the Moscow Institute of Dynamics, President (Amekistov) also presented a photo album to Premier Li. All the photos in the album were Li Peng's photos taken during his school years at the institute. Pointing to a photo on the first page, (Amekistov) said "See, how young and handsome!" The gifts Li Peng gave to his alma mater were two large Jingtailan vases, a jade running horse, and a copy of his book "On Developing China's Electric Power Industry".

Premier Li Peng spoke in Russian amid cheers and laughter. He said: "I express my heartfelt thanks to the Moscow Institute of Dynamics and the International Institute of Dynamics Engineering for giving me such honor. This is not only an extremely great honor for me, it is also manifestation of the Russian people's friend-

ship with the Chinese people." While wishing teachers and students of the Moscow Institute of Dynamics all the best, Li Peng said "I hope schools of higher learning of China and Russia will strengthen their ties and step up exchanges." [passage omitted]

#### Holds Interview

OW2806112895 Beijing XINHUA Domestic Service  
in Chinese 0541 GMT 28 Jun 95

[By reporters Zhang Yijun (1728 4135 0193) and Duan Jiyong (3008 0679 05160)]

[FBIS Translated Text] Moscow, 28 Jun (XINHUA) — Li Peng, premier of the Chinese State Council, was interviewed by Chinese and Russian journalists concerning Sino-Russian relations and other issues on the eve of the conclusion of his official visit to Russia.

[Reporter of Chinese Central Television Station] Leaders of China and Russia have had frequent mutual visits in recent years. Would you tell us how important Russia's position is relative to China's relations with other foreign countries?

[Li Peng] China pursues an independent peaceful foreign policy, and has been promoting good neighborly relations and cooperation with her surrounding countries. Russia occupies an important position in China's foreign relations. China and Russia share the longest land borders and both are permanent members of the UN Security Council. They share a heavy responsibility in maintaining peace and promoting economic development in the world. China attaches great importance to developing friendship and cooperation with Russia. The two countries can greatly complement each other economically. Despite the fact that the amount of bilateral trade is still not large enough, there is great potential in this respect. Traditional friendship exists between China and Russia, and such friendship will certainly develop further under the new situation.

[ITAR-TASS reporter] How do you regard the constructive partnership between Russia and China? What is the meaning of such partnership in foreign relations?

[Li Peng] The constructive partnership of China and Russia is a new type of relations between states established on the basis of the five principles of peaceful coexistence. This is the common understanding reached by the two countries after summing up historical lessons in their bilateral relations and the experience of smooth development of relations between the two countries in recent years. China and Russia have different national situations, and so both should choose their own development road based on their respective conditions. The two countries have many things in common and have many

same or similar views on international affairs. Russia is seeking political stability and economic development, while China is also working hard in developing its economy. Both countries want a peaceful international environment. Those common interests have brought the two countries together.

The constructive partnership between the two countries is not directed against other countries. China not only wants to develop friendly relations with Russia, but also wants to develop such relations with other neighbors and all countries in the world. China is happy to see Russia's maintaining good relations with the CIS countries and other countries in the world.

[Ostankino Television Station reporter] In your current visit, your views that Russia and China do not need other countries to teach them how to work and live have generated great repercussions in the world. Would you tell us the true meaning of this idea?

[Li Peng] After the Cold War, an opportunity of peace in the world has emerged. However, the world is still not at peace. There are contradictions and conflicts in many regions, and even wars in some localities. People are very worried about this situation. The world needs peace and stability, needs development, and needs to establish a just and reasonable new political and economic order. China holds that the basic criterion for relations between countries should be based on the five principles of peaceful coexistence. In particular, countries should observe the principles of mutual respect, mutual non-interference in each other's internal affairs, and equality and mutual benefit. All countries, big or small, rich or poor, strong or weak, are equal members of the international community, and they all can make contributions to promoting peace, stability, and development in the international community. At present, there are indeed certain countries in the world which like to teach others what they should do and how they should work. If international affairs are dominated by those countries, the world will not be tranquil and peace cannot be guaranteed. Now the developing trend of the multipolar situation in the world is conducive to peace and stability. China opposes interference in internal affairs of other countries in any form under any pretext. The affairs of a country can only be taken care of by the people of the country themselves.

[IZVESTIYA] In recent years, frequent political contacts between Russia and China have pushed dialogue between the leaders of the two countries to a new height. However, bilateral cultural exchanges have decreased somewhat. Please comment on this.

[Li Peng] You are only half right. True, the two countries have seen frequent exchanges of visits between

their leaders in recent years; however, exchanges and cooperation in culture and arts did not decrease. The development of bilateral political relations has created excellent conditions for cultural exchanges. The number of cultural and art groups exchanging visits between the two countries last year far exceeded that of the year before. In fact, differences in ideology should not affect bilateral exchanges in science, education, culture, and the arts. Much remains to be done in these fields. China hopes to further develop exchanges in these fields.

[Voice of Russia Radio Station] During the current visit, you have discussed the issue of bilateral trade and economic cooperation on many occasions. Please tell us what progress has been made in this area.

[Li Peng] The issue of economics and trade was the focus of my talks with Prime Minister Chernomyrdin; the talks yielded fruitful results. The two sides called for further developing bilateral trade and economic relations, and agreed to replace the barter trade of the past with the current international practice of spot exchange payments. The two sides favored and pledged to promote direct cooperation between large and reputable companies so as to reduce expenses and costs to enable consumers in both countries to buy quality goods from each other at reasonable prices. The two sides explored the possibility of large-scale cooperation. China welcomes Russia to supply nuclear power stations with safeguards, as well as Russian enterprises to take part in the construction of the Three Gorges water conservancy project. The two sides discussed the question of developing cooperation in military technology, and the result is satisfying. During my meeting with President Yeltsin, we discussed the question of cooperation in exploiting Siberia's natural gas. Because this will be a large cooperation project, we hope to carry out multi-lateral cooperation, with China and Russia included.

[Voice of Russia Radio Station] Mr. Premier, during your meeting with Duma Chairman Rybkin, you discussed China's development experiences at length. Could you tell us how China has successfully carried out reform?

[Li Peng] My talks with Chairman Rybkin covered a wide range of topics, including China's economic reform and construction. Chairman Rybkin, who has visited China and has some knowledge of the country's condition, believed that China's reform proceeded amid stability, which is the key to the success of reform. I told him that China carried out reform in the light of national conditions. Since reform and opening up, we have maintained a relatively fast growth rate. We have learned from our experiences that we should correctly handle the relationship among reform, development,



and stability. Development is the goal, and reform is the motive force for reform; while stability is the prerequisite for reform and development, and reform and development have laid the foundation for social stability.

Under the collective leadership with Comrade Jiang Zemin as the core, China enjoys economic development, political stability, the unity of nationalities, and social progress. We are full of confidence in the country's future.

#### 'Roundup' Views Visit

OW2806131395 Beijing XINHUA Domestic Service  
in Chinese 0247 GMT 28 Jun 95

["Roundup: Enhance Common Understanding; Broaden Cooperation"; by reporters Duan Jiyong (3008 0679 0516) and Zhang Yijun (1728 4135 0193)]

[FBIS Translated Text] Moscow, 28 Jun (XINHUA) — On 28 June, Chinese Premier Li Peng concluded his visit to Belarus, Ukraine, and Russia, which was a complete success.

During his visit to Russia, Premier Li Peng exchanged extensive and in-depth opinions with Russian President Yeltsin, Prime Minister Chernomyrdin, and State Duma Chairman Rybkin on further development of Sino-Russian friendly, mutually-beneficial, and cooperative relations.

Premier Li Peng's visit has broadened common understanding between China and Russia in at least the following three aspects.

#### 1. Further development of bilateral relations and widening of mutually-beneficial cooperation.

The Sino-Russian communique, signed by Chinese and Russian premiers, holds that the establishment of a constructive Sino-Russian partnership geared toward the 21st century is not only in line with the fundamental interest of the two countries and their peoples, but also a major factor for promoting the stability and cooperation in the Asia-Pacific region and the world.

During their talks, the two premiers endorsed the common goal of turning the common Sino-Russian border into a link for eternal peace, tranquility, friendship, and common prosperity.

Russian President Yeltsin spoke highly of the outcome of the talks between Premier Li Peng and Prime Minister Chernomyrdin, and said that Premier Li Peng's visit has made vital contributions to further promoting the development of Russo-Chinese partnership relations.

#### 2. China and Russia should strengthen cooperation and play a greater role in international affairs.

During the talks, the two leaders unanimously held that both China and Russia are big and influential countries in the world. The two countries shoulder heavy responsibilities in safeguarding world peace and should play a greater role in international affairs.

Li Peng and Chernomyrdin stressed during the talks that both China and Russia are sovereign states that will neither allow foreign countries to make indiscreet remarks or criticisms [zhi shou hua jiao 2172 3087 0439 5183] against them nor interfere with their internal affairs.

As Russia is seeking political stability and economic rejuvenation and China is devoting itself to economic development, both countries need a peaceful external environment. Therefore, the two leaders felt that China and Russia should continue to coordinate their stand and forge mutual cooperation and support in international affairs in the future. The two premiers felt that strengthening Sino-Russian mutual cooperation and coordination will enable them to do more for world peace and stability.

#### 3. Adopting essential measures to broaden and develop bilateral economic and trade cooperation.

During the talks, the two premiers felt that China and Russia strongly supplement each other economically and possess very great potential for cooperation. The two sides agreed to gradually discard barter trade as soon as possible and replace it with the cash payment method generally practiced in the international community. They also reached consensus on strengthening direct contacts and cooperation between reputable large corporations and enterprises of the two countries.

Before travelling to Russia, Premier Li Peng visited Belarus and Ukraine.

During his visit in Ukraine, Premier Li Peng and Ukrainian Prime Minister Marchuk unanimously agreed to expand trade between the two countries, increase trade volume, and recommend a group of representative large enterprises and corporations for long-term cooperative relations and direct trade.

Sino-Ukrainian trade relations have made positive progress since the two countries established diplomatic ties over three years ago, and China has become Ukraine's third largest trading partner. The two leaders believed that China and Ukraine strongly supplement each other economically and possess very great potential for cooperation.

During Premier Li Peng's visit to Belarus, a joint communique signed by the premiers of the two countries reiterated the resolve to drive bilateral relations to a completely new level.

Apart from agreeing to strengthen and broaden economic and trade cooperation, the two sides exchanged opinions and reached common understanding on the human rights issue. China and Belarus oppose the use of the human rights issue by any country as an excuse to interfere in the domestic affairs of other countries, and agree to strengthen bilateral and multilateral consultations and cooperation on the human rights issue.

During Premier Li Peng's visit to the three countries, more than 10 documents on economic and trade cooperation were signed. These documents will undoubtedly further promote friendly cooperation between China and these three countries.

#### 'Text' of Joint Communique

OW2806143595 Beijing XINHUA Domestic Service  
in Chinese 1320 GMT 27 Jun 95

[FBIS Translated Text] Moscow, 27 Jun (XINHUA) — China and Russia today released the "Sino-Russian Joint Communique" signed by Li Peng, premier of China's State Council, and Chernomyrdin, prime minister of the Russian Federation Government, on 26 June in Moscow.

Full text of the communique is as follows:

#### The Sino-Russian Joint Communique

At the invitation of the Russian Federation Government, Premier Li Peng of the PRC State Council made an official visit to the Russian Federation from 25 through 28 June, 1995.

Premier Li Peng of the PRC State Council met Russian Federation President Boris Nikolayevich Yeltsin and held talks with Russian Federation Government Prime Minister Viktor Stepanovich Chernomyrdin. The Chinese leader also held meeting with Russian Federation Duma Chairman Ivan Rybkin. Talks and meetings were held in adherence to the spirit of mutual respect and trust amid a friendly, constructive atmosphere. Both sides widely and deeply exchanged views on Sino-Russian relations and international issues of common interest. The visit has been a successful one.

During the visit, both sides signed "The PRC-Russian Federation Extradition Treaty"; "The PRC, Russian Federation Government Agreement on Joint Construction of Heihe-Blagoveschensk Bridge over the Boundary River of Heilongjiang (Amur River)"; "The PRC, Russian Federation Government Agreement on Joint Prevention of Forest Fires"; "The PRC, Russian Federation Govern-

ment Agreement on Mutual Recognition of Academic Qualifications, Degrees, and Certificates"; "The PRC, Russian Federation Government Agreement on Plant Quarantine and Protection"; "The PRC, Russian Federation Government Agreement on Cooperation in the Information Field"; and "The PRC Machine-Building Industry Ministry and the Russian Federation Machine-Building Commission Agreement on Establishing and Developing Cooperative Relations."

Both sides highly evaluated the positive and mutually beneficial cooperation between the two countries unfolded in various fields in accordance with various principles defined in the two Sino-Russian joint statements and in line with the spirit of constructive partnership relations with the 21st century in perspective. Both sides are convinced that such development in Sino-Russian relations does not only conform to the fundamental interests of the two countries and their peoples, but is also an important factor in strengthening stability and cooperation in both the Asia-Pacific region and the world.

The issue on developing Sino-Russian cooperation in the fields of economics and trade and science and technology dominated the talks. Positively evaluating results achieved in these fields by both countries, both sides wished to firmly and unshakably enhance the utilization efficiency [li yong xiao yi 0448 3938 2400 4135] of the great potential for economic and trade relations between the two countries, and make further efforts to lift such cooperation to a brand new stage fully compatible with the Sino-Russian partnership relations and economic potential of the two nations. Both sides unanimously agreed that priority should be given to the improvement of means of payments and settling accounts by actively adopting a modern format in the practice of bilateral cooperation and to the improvement of infrastructure to guarantee economic and trade cooperation. The two countries are willing to promote mutual investment based on encouraging and protecting investment between the two governments signed in 1990. Both sides stressed the need to map out, as soon as possible, a new cooperation format in border areas to serve the interest of long-term partnership relations.

The two countries agreed to take measures to deepen cooperation in such concrete aspects as production and science and technology, including cooperation in the fields of energy, machine-building, aeronautics and astronautics, agriculture, communications, and the development and application of new and high technology. Both sides agreed to continue active consultations and cooperation on questions related to the construction of a nuclear power station and let companies of the two countries have direct contacts. Both sides discussed the question

of military technological cooperation and have identified main aspects for further cooperation on the basis of mutual benefit and in consideration of international commitments.

As requested by the Russian side, the Chinese side agreed to delay repayment of government commodity loans extended by China to the former Soviet Union in 1990 and 1991. Relevant departments of the two countries will be instructed to work out concrete details. Both sides also finalized ways to solve other issues related to Sino-Russian loans.

The two countries satisfactorily reached consensus on need to adjust conditions on personnel exchanges and export of labor services and to foster closer cooperation between law enforcement organs of the two countries in this respect. Both sides will take measures to mutually increase the number of consular organizations.

The premier of the PRC State Council and the prime minister of the Russian Federation Government briefed each other on the domestic situation. On the Taiwan issue, Russia reiterated its consistent position stipulated in the 1992 joint statement on the basis for mutual relations. China fully understands Russia's actions to safeguard national unification and maintain social and political stability.

Reaffirming the observance of the 1991 Agreement on the Eastern Sector of the Sino-Russian Border, both sides emphasized willingness to complete surveys within the scheduled period and to commence, as early as possible, framework agreement talks on the common economic use of individual lots along the Sino-Russian border to be handed over to each other upon the completion of surveys. Both sides agreed to make efforts to enhance a tranquil, good-neighborly, and cooperative atmosphere along the border areas.

Both sides agreed to push forward negotiations on the mutual reduction of military strength along the border areas and enhancing trust in the military fields, maintaining that it will be appropriate, in the process of the abovementioned negotiations, to map out an agreement on enhancing trust in the military fields along the border areas to be taken as a single political, military document.

Views exchanged by leaders of the two countries over international issues revealed identical or similar stands of the two nations on major international issues. Both sides agreed to step up consultations and dialogues on contemporary, pressing issues and strengthen multi-directional and constructive mutual coordination and support on both regional and global affairs, which will be regarded as an important factor for Asia's stability

and security and the maintenance of an overall healthy international situation.

Exchanging views on the Asia-Pacific situation, both sides reiterated mutual support on multilateral economic cooperation, with China showing its support for Russia's bid for access to the Asia-Pacific Economic Cooperation forum.

On the occasion of the 50th anniversary of the Second World War, both sides stressed that historic lessons should be drawn from struggles against fascism and militarism.

Both sides maintained that mutual respect and equal treatment of each other is one of the important principles in maintaining and developing normal and healthy state-to-state relations. People of various countries shall have the right to select their own social system and the road and mode of development in accordance with their state conditions. Other countries shall not interfere.

Expressing full satisfaction over results of their talks, both sides reaffirmed their willingness to hold, more frequently, regular, constructive dialogues at high and top levels; and emphasized the special, important significance of the Russian Federation president's upcoming visit to China.

The premier of the PRC State Council expressed his heartfelt gratitude for the enthusiastic hospitality extended to him and his entourage during their stay in Russia.

Premier Li Peng of the PRC State Council invited the prime minister of the Russian Federation Government to pay an official visit to China, which was accepted by the latter with pleasure; the timing of the visit will be discussed through diplomatic channels.

Li Peng, premier of the PRC State Council

Chernomyrdin, prime minister of the Russian Federation Government.

26 June 1995, Moscow.

#### **Ends Visit, Returns to Beijing**

OW2806140995 Beijing XINHUA in English  
1402 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Chinese Premier Li Peng returned here by air this evening after his official visit to Belarus, Ukraine and Russia.

Li's entourage, including his wife Zhu Lin, Vice-Premier Wu Bangguo of the State Council, Director Liu Huaqiu of the Foreign Affairs Office of the State



Council, Director Wang Mengkui of the Research Office of the State Council, Vice-Minister of Foreign Affairs Dai Bingguo, Vice-Minister Chen Tonghai of the State Planning Commission, Vice-Minister Shi Guangsheng of the Foreign Trade and Economic Cooperation, Deputy Secretary-General Liu Qibao of the State Council, Deputy Director Lu Congmin of the Foreign Affairs Office of the State Council, and Special Assistant Wan Jingchang, returned by the same plane.

Upon their arrival at the Great Hall of the People, Li and his party were greeted by Vice-Premiers Zhu Rongji, Qian Qichen and Jiang Chunyun, Vice-Chairman Wang Hanbin of the National People's Congress Standing Committee, State Councillor and Secretary-General Luo Gan of the State Council, Vice-Chairman Hong Xuezhi of the National Committee of the Chinese People's Political Consultative Conference, and other government officials.

Also present at the ceremony were diplomatic envoys from the three countries.

#### Reaction to Li Peng's Visit

##### Visit Hailed

OW2806231595 *Beijing XINHUA in English*  
1829 GMT 28 Jun 95

["PEOPLE'S DAILY: Chinese Premier's Visit Future Oriented" — XINHUA headline]

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — The PEOPLE'S DAILY [RENMIN RIBAO] is scheduled to publish an editorial on Thursday [29 June] to hail Chinese Premier Li Peng's week-long visit to Belarus, Ukraine and Russia ending today, which it describes as future oriented aimed at expanding cooperation.

China enjoys traditional friendship with Russia, Ukraine and Belarus, the editorial says.

The Chinese people fought side by side with the people of the former Soviet Union, including the people of the three countries, the world's anti-fascist war 50 years ago and thus made great contributions to world peace and progress, it says.

After the war, China and the three countries closely cooperated in their domestic construction, the editorial notes. In recent years, China has smoothed relations and enhanced cooperation with the three nations.

During the visit, the Chinese premier held talks with leaders of the three countries over bilateral ties and international issues of common interest in a friendly, realistic atmosphere, reached extensive consensus and scored fruitful achievements, says the paper.

China signed respectively with the three sides communique and a string of cooperative agreements during Li's visit, it says.

The premier's visit has pushed the cooperative relations between China and the three countries to a new stage in terms of both range and depth, the editorial comments.

This visit shows that China and the three nations have much in common and are keen on furthering their friendly and cooperative relations despite differences in their national conditions. There exists a solid foundation for the in-depth development of their ties, the paper says.

It says China and the three countries understand each other's national conditions and respect each other's choice of social system, path and mode of development.

The four countries stressed that in handling international relations, they should adhere to the principles of respect for each other's independence, sovereignty and territorial integrity and opposing external interference. They maintain that the affairs of a country should be handled by its own people and any other country is not entitled to carp and cavil about them.

The paper says China and the three countries believed it is of great significance to the promotion of in-depth development of bilateral links to strengthen the exchange of mutual visits and direct dialogs by senior officials from the two sides.

They also agreed to enhance consultations over problems of mutual concern, it notes.

They viewed that to safeguard territorial integrity and maintain political stability is a pre-condition and a guarantee of economic development and other undertakings in a society.

All the three nations reiterated their pursuit of a one-China policy and their stance that Taiwan is an inseparable part of the Chinese territory and that the government of the People's Republic of China is the sole legitimate government representing the whole of China.

An important part of the premier's tour was contributed to bolstering economic, trade and technological cooperation between China and the three nations.

The paper stresses that China and the three countries are highly complementary in these fields and have great potentials of cooperation.

The two sides agreed to carry out and expand cooperation on the basis of the principle of mutual benefit and in accordance with the current international practices.

They said they will support and encourage direct links between big enterprises and corporations of high reputation and with great capacity, and establish a mode of long-term cooperation.

Li also discussed with leaders of the three countries ways of promoting cooperation in military technology and in the peaceful use of nuclear energy.

To strengthen consultation and cooperation in international issues and jointly contribute to the cause of peace and development is another important aspect of Premier Li's talks with leaders of the three nations.

The paper says the two sides agreed that the handling of nation-to-nation relations should be strictly in accordance with the Five Principles of Peaceful Coexistence, and international disputes should be resolved only through peaceful negotiations and dialogue.

With the globe being in an age of profound changes and the multi-polarity trend speeding up, the world is still not peaceful, the paper emphasizes. Under the circumstances, consultations and cooperation in international and regional issues and United Nations affairs are very important and necessary.

China and Russia are the biggest neighbors to each other. Both of them are permanent members of the United Nations Security Council, which bear great responsibility for world peace and regional stability. They share many identical or similar views on international issues and their economies are largely supplementary to each other.

Leaders of the two countries reaffirmed that both China and Russia will strictly observe the various principles governing bilateral relations and bring about an overall and in-depth development of Sino-Russian relations on the basis of mutual respect, equality and mutual benefit.

Both sides agreed, in accordance with related agreements, to work hard to promote tranquility in the border areas of the two countries so as to make the long Sino-Russian borders a link of friendship and cooperation between the two peoples.

The paper says that to build and develop a new-type, good-neighborly, mutually-beneficial and cooperative relations of partnership between China and Russia serves not only their fundamental interests but also the lofty cause of world peace and development.

Human beings are now in a critical period at the turn of the century. The development of the world in the 21st century will have a bearing on world peace and the fate of mankind. China will unswervingly pursue an independent, peaceful foreign policy. The growth of China itself is an important factor of maintaining world

peace and regional stability. The 21st century should be one that witnesses the establishment of peace and stability and of a new, fair and reasonable international political and economic order.

China is willing to work for this lofty goal together with the people of Russia, Belarus and Ukraine as well as all peace-loving people in the rest of the world, the editorial says in conclusion.

#### Visit Called 'Successful'

OW2906025695 Beijing XINHUA Domestic Service  
in Chinese 1624 GMT 28 Jun 95

[RENMIN RIBAO 29 June editorial: "Facing the Future and Broadening Cooperation — Greeting Premier Li Peng's Successful Visit to Belarus, Ukraine, and Russia"]

[FBIS Translated Text] Beijing, 28 Jun (XINHUA) — Bringing the Chinese people's profound sentiments of friendship with him, Premier Li Peng paid an official visit to the republics of Belarus, Ukraine, and the Russian Federation in midsummer. He was accorded a grand welcome and a warm and friendly reception by the governments and peoples of the three countries. It was a future-oriented visit that aimed to broaden cooperation, and was a complete success. We would like to extend warm congratulations.

Our country enjoys traditional friendship with Belarus, Ukraine, and Russia. During the world's antifascist war, the Chinese people and the people of various nationalities in the former Soviet Union — such as Russians, Ukrainians, and Belarusians — fought alongside and supported each other, thus making tremendous contributions to world peace and progress. After the war, they conducted friendly cooperation with each other in national construction. In recent years, our country's relations with the three nations have developed steadily, and it has constantly strengthened its friendly relations and cooperation with these countries. During the visit, Premier Li Peng held talks and meetings with the leaders of the three countries on bilateral relations and international issues of common interest in a friendly, realistic, and constructive [you hao qiu shi he jian she xing di 0645 1170 3061 1395 0735 1696 6080 1840 4104] atmosphere, and they achieved broad consensus and positive results. China signed joint communiques and cooperation documents with the three countries. Premier Li Peng's visit has ushered in a new stage where our country's friendly relations and cooperation with the three countries will develop in a more all-around and in-depth manner.

The visit shows that despite differences in national conditions, China and the three countries share common

ground on many issues and have a strong desire and solid basis for developing friendly relations and cooperation in an in-depth manner. Both sides showed understanding for each other's national conditions, and respected the social systems and development paths and models chosen by the other side. They emphasized the need for upholding the principle of respecting independence, sovereignty, and territorial integrity, and opposing external interference in international relations. They maintained that a country's affairs should be managed by the people of that country, and that there is no need for other countries to make indiscreet criticisms. Both sides noted that exchange visits and direct dialogues between high-level leaders should be strengthened further. These are of great significance to promoting the in-depth development of bilateral relations. Both sides favored increased consultations on issues of common interest to their countries. They held that safeguarding national unity and maintaining social and political stability are the prerequisites and guarantees for developing their economies and other social services. The three countries explicitly reiterated that they would adhere to the one-China policy, that Taiwan is an inalienable part of Chinese territory, and that the PRC Government is the sole legitimate government of all of China.

An important aspect of the visit was to strengthen and develop China's cooperation with Belarus, Ukraine, and Russia in the economic, trade, scientific, and technological spheres. Both sides held that they are highly complementary to each other and have vast potential for cooperation because of their respective strengths in these fields. They unanimously agreed to develop and broaden cooperation in accordance with the current international practices and on the basis of the principle of mutual benefit and reciprocity. Both sides indicated the need to support and encourage large enterprises and companies of good repute and solid standing to forge direct links, and to try to understand what the other side needs and what to supply; as well as the need to gradually establish a dynamic new model for long-term cooperation. They also exchanged views on and achieved satisfactory results in strengthening cooperation in military technology and peaceful uses of nuclear energy.

An important topic of Premier Li Peng's discussions with the leaders of the three countries was to increase consultation and cooperation on international issues, and to jointly work for peace and development. Both sides unanimously confirmed the need to strictly observe the five principles of peaceful coexistence in handling state-to-state relations, and acknowledged that international disputes can only be solved through peaceful talks

and dialogues. The present-day world is undergoing profound changes, and the trend toward multipolarity is accelerating. The world is not quite peaceful yet. In such circumstances, increasing consultation and cooperation on international and regional issues and on United Nations affairs is very important and essential.

The two large neighbors — China and Russia — are both UN Security Council permanent members, and shoulder a major responsibility for world peace and regional stability. Both sides share identical or similar views on many international issues. Economically, they are highly complementary to each other. The leaders of the two countries reiterated that the two sides would abide by the various principles guiding the two countries' relations, so that these relations would develop in an all-around and in-depth manner on the basis of mutual respect, equality, and mutual benefit. Both sides agreed to work actively to strengthen peace in border areas in accordance with relevant agreements, so that the lengthy Sino-Russian border would always be a bond of friendship and cooperation between the people of the two countries. The establishment and development of a new type of partnership based on good-neighborliness, friendship, and mutually beneficial cooperation not only conforms to the fundamental interests of China and Russia but is also conducive to the lofty cause of world peace and development.

Mankind is going through an important, turn-of-the-century period. How the world of the 21st century will evolve and change has a bearing on world peace and mankind's fate. China has steadfastly pursued an independent foreign policy of peace. Its own development is an important factor in safeguarding world peace and regional stability. The 21st century should be one in which a new international political and economic order that is peaceful, stable, fair, and rational is to be established. We are willing to work with the Russian, Belarusian, and Ukrainian people, as well as peace-loving people from other countries, to achieve this lofty goal.

### Northeast Asia

#### Li Tieying Receives Japanese Visitors

OW2906093495 Beijing XINHUA in English  
0928 GMT 29 Jun 95

[FBIS Transcribed Text] Beijing, June 29 (XINHUA) — Chinese State Councillor Li Tieying met with Yasuyoshi Tokuma, chairman of Japan's Tokuma Group, and his party here this afternoon.

Tokuma and his party have come for a visit as guests of the China Association For International Friendly Contact.



**Sino-Japanese Cooperation To Focus on Environment**

*HK2906100895 Beijing CHINA DAILY in English  
27 Jun 95 p 2*

[By Chen Chunmei: "Japan Joins China's Pollution Struggles"]

[FBIS Transcribed Text] The Chinese and Japanese governments are seeking greater co-operation in environmental protection to create a more favourable regional environment.

The two countries have reached the consensus that environmental protection will be a key part of future Sino-Japanese economic co-operation, said Hashimodo Hiroshi, chairman of a Japanese governmental environmental co-operation delegation.

The delegation will discuss the issue with some 10 Chinese central government departments until Wednesday. It will then head to Northeast and Southwest China to conduct research.

"The Japanese Government will extend active support to China's environmental protection as part of its efforts to contribute to the world's sustainable development," said Hiroshi.

China will rely largely on itself to solve its environmental problems, said Xie Zhenhua, Director of China's National Environmental Protection Agency.

However, he said, China needs support and co-operation from friends and partners.

"China and Japan have large potential for co-operation on the issue, because such co-operation will be beneficial to both sides," Xie said.

He expressed the hope that the Japanese Government will provide China with advanced cleanup technology on preferential, non-commercial terms.

He said existing co-operative efforts centre mainly on reducing urban pollution, eliminating acid rain and fighting water pollution. According to a long-term assistance plan approved by the Japanese cabinet last December, assistance with environmental protection in China is to constitute a major part of its government loans to China.

Low-interest loans for environmental protection will be available to China immediately, according to an official with the economic co-operation department of the Japanese Ministry of Foreign Affairs.

Hiroshi urged the two sides not to hesitate to exchange information on environmental protection.

The delegation, led by Hiroshi, is composed of officials from the Japanese Government, enterprises and non-governmental organizations.

The on-going construction of the Sino-Japanese Friendship Environmental Protection Centre, located on Beijing's North Fourth Ring Road, is expected to be completed early next year.

The two governments signed an environmental protection cooperation agreement in March last year.

**Japanese Official Reports Agreement on Forum**

*OW2806134295 Tokyo KYODO in English  
1254 GMT 28 Jun 95*

[FBIS Transcribed Text] Beijing, June 28 KYODO — China has accepted a Japanese proposal that the two countries set up a forum for their environmental experts to discuss bilateral cooperation in solving air and water pollution problems in China, a Japanese Foreign Ministry official said Wednesday [28 June].

Norio Hattori, a deputy director general in the ministry's economic cooperation bureau, made the statement at a press conference in Beijing.

Hattori is a member of a government mission dispatched to China to inspect areas suffering serious pollution and study how Japan can help.

The Japanese officials also expressed the country's willingness to provide technical and financial assistance to cope with China's environmental problems, he said.

Japan will strive to lead the international community in dealing with the issue, he added.

**Japan-DPRK Rice Aid Agreement Viewed**

*SK2906024095 Beijing China Radio International  
in Korean 1100 GMT 28 Jun 95*

[FBIS Translated Text] Japan and the DPRK held talks in Tokyo on 27 June and agreed in principle that Japan will supply 300,000 tonnes of rice to the DPRK. According to the agreement, Japan will provide the DPRK with 300,000 tonnes of rice. Japan will give 150,000 tonnes free of charge and 150,000 as a loan to be repaid within 30 years.

In the talks, the Japanese side stated that the Japanese Government will consider increasing the rice aid to the DPRK, within an allowable scope, when the DPRK needs it; the DPRK side agreed to this.



**Southeast Asia & Pacific****Further Coverage on Hijacked Ship****Owners 'Warned Off'***HK2906060495 Hong Kong EASTERN EXPRESS  
in English 29 Jun 95 p 3**[By Ella Lee in Guangzhou]*

[FBIS Transcribed Text] The owners of a freighter believed hijacked off Cambodia last week have cancelled a trip to see their stricken vessel in the Chinese port of Shanwei, amid fears for their personal safety. One of the ship's owners, William Tay, said last night he planned to visit the freighter, the Hye Miekko, in Shanwei, but a source in the party he is travelling with said they were "warned off".

Phu Kok An, a senior Cambodian diplomat travelling with Tay, said Tay had been told by Cambodian embassy officials in China not to travel until his safety had been assured by local officials in Shanwei. He said a renegade band of Chinese soldiers were behind the hijacking and feared Shanwei thugs linked to them could cause trouble for them in the eastern port.

A member of Tay's group said last night: "He is being protected by two uniformed officers at the moment and we have been warned not to go to Shanwei until proper arrangements are made".

Among the team of 10, which arrived in Guangzhou last night seeking an explanation from the Chinese government about the hijacking, are two insurance-claim consultants from Richards Insurance Services in Hong Kong and a mainland lawyer.

Tay last night told EASTERN EXPRESS he would fight to get his vessel back from public security officials, who he claimed were involved in the hijacking. "I feel helpless and angry. The Chinese government owes me an explanation as to why its patrol boat appeared in the Gulf of Thailand and then followed my ship," he said. "The Chinese government has to launch an investigation into the incident. It's not the first ... it has happened many times before."

Phu Kok An, who holds a diplomatic passport, said he believed that the hijacking was carried out by junior soldiers in the Chinese military. "But I also believe that someone was backing them up in a more senior position. The incident is very serious." Phu Kok An said he had met several Chinese leaders during his visit with Cambodian senior officials to China.

Tay, who had launched an appeal in Hong Kong on Monday to rescue his hijacked vessel, yesterday condemned the Government for "doing nothing". "At

least the Government should have sent a boat to head off my ship," he said. "I only want them to intercept my ship. This incident has affected my business a lot — we cannot give the goods to the buyers," he said. "And we cannot change the route: there is no other choice."

**Beijing Orders Probe***HK2906100695 Hong Kong HONGKONG  
STANDARD in English 29 Jun 95 p 1**[By Pamela Pun and Jonathan Hill]*

[FBIS Transcribed Text] The Beijing authorities are stepping in to probe the events behind the alleged international piracy by Chinese armed forces personnel of a Singaporean cargo freighter, the Hye Miekko, which is now berthed at Shanwei, 180 kilometres off Hong Kong.

Hours after the Hye Miekko "mysteriously" sailed into the fishing port, an official from a Beijing central department telephoned the Shanwei security bureau instructing its chief to report developments surrounding the freighter, according to a Chinese source in the coastal city. The source told The HONGKONG STANDARD that the Beijing official had also instructed the bureau to investigate and submit regular reports on the incident. He refused to say, however, what line of investigations the official had requested them to take, apart from warning them to do it "carefully".

It was a mystery how the 1,055-gross-tonne Panama registered freighter, which was reportedly hijacked last Friday on its three-day journey from Singapore to Cambodia, ended up five days later in Shanwei. "The ship has been found in Shanwei," said the owner William Tay. "I'm confused also." The Singapore-based owners, HM Shipping and Trading, have requested help from the Chinese embassy in the island state to secure the release of the freighter.

The condition of the Hye Miekko and its 14 crew members, mostly Indonesians, was not yet known, company administrator Karen Loi said from Singapore. Precisely how the vessel came to arrive in Shanwei was not known. It was also unclear whether the vessel was escorted by a Chinese military craft on its arrival. Ms Loi said shortly before 5 pm yesterday: "Mr Tay has just called me and told me they have confirmation that the vessel arrived in Shanwei at about 1 or 2 o'clock." The freighter left Singapore on 21 June for Cambodia's Kas Kong port, where it was due to arrive last Saturday. Radio contact with the Hye Miekko was lost late on Friday in waters notorious for piracy. The ship was carrying US\$2 million (HK\$15.6 million) worth of cigarettes and photographic equipment.

**Burmese Tourism Minister Leaves for China**

OW2806103995 *Beijing XINHUA in English*  
0902 GMT 28 Jun 95

[FBIS Transcribed Text] Yangon, June 28 (XINHUA) — A five-member Myanmar delegation, led by member of Myanmar State Law and Order Restoration Council (SLORC) and Minister for Hotels and Tourism Lieutenant General Kyaw Ba, left here for Beijing this afternoon to pay a week-long visit to China.

The delegation will visit Beijing, Shanghai and Xian, and will have discussions on tourism cooperation with the Chinese side, it is learnt.

**Agricultural Agreement Signed With Burma**

OW2906120795 *Beijing XINHUA in English*  
1153 GMT 29 Jun 95

[FBIS Transcribed Text] Yangon [Rangoon], June 29 (XINHUA) — An agreement between the governments of the People's Republic of China and the Union of Myanmar [Burma] on agricultural cooperation was signed here this afternoon.

Visiting Chinese Agricultural Minister Liu Jiang and Myanmar Minister for Agriculture Lieutenant General Myint Aung signed the agreement.

According to the agreement, the two sides will cooperate in all fields of agriculture such as food crops and horticulture, industrial crops, integrated pest management, agribusiness management, agriculture research and development, biotechnology, sericulture, water management and hybrid rice production.

The agreement also includes the setting up of a joint steering committee to further promote cooperation between the two ministries.

Liu arrived here Sunday for a five-day visit to Myanmar.

**Cambodian King Visits Beijing for Medical Checkup**

OW2906042195 *Beijing XINHUA in English*  
0404 GMT 29 Jun 95

[FBIS Transcribed Text] Phnom Penh, June 29 (XINHUA) — King of Cambodia Norodom Sihanouk left here by a special flight to Beijing this morning for a medical check.

Chairman of the National Assembly Chea Sim, First Prime Minister Norodom Ranariddh, Second Prime Minister Hun Sen, other senior ministers and several ambassadors saw him off at the Pochengtong International Airport.

"I will return to my land as soon as possible depending on my health check," the king said recently.

**Sihanouk Arrives 29 Jun**

OW2906083095 *Beijing XINHUA in English*  
0820 GMT 29 Jun 95

[FBIS Transcribed Text] Beijing, June 29 (XINHUA) — King Norodom Sihanouk of Cambodia and Her Majesty Queen Norodom Monineath Sihanouk arrive here by special plane from Phnom Penh today.

The Cambodian royal couple were met at the airport by Chinese Vice-Foreign Minister Tang Jiaxuan, Cambodian Ambassador to China Khék Sysoda, and Ambassador of the Democratic People's Republic of Korea (DPRK) to China Chu Chang Jun.

**Zou Jiahua Continues Singapore Visit**

**Addresses Businessmen, Officials**

OW2606163395 *Beijing XINHUA in English*  
1559 GMT 26 Jun 95

[FBIS Transcribed Text] Singapore, June 26 (XINHUA) — China will try its best to achieve a sustained, rapid and sound economic growth in the last five years before the turn of the century, visiting Chinese Vice Premier Zou Jiahua said here today to some 180 government officials and businessmen of Singapore.

In his address, entitled "People's Republic of China's Economic Situation and Reform" Zou said that in the remaining five years of this century, China will try to maintain its economic development at a reasonable rate, achieve a sustained, rapid and sound economic growth and, by and large, put in place the socialist market economic structure so as to lay a solid foundation for continued development in the next century.

He also stressed that while continuing to develop the economy in the east coast, China will also speed up the economic development of the central and western parts of the country.

As China is compiling its Ninth five-year Plan (1996-2000), the Vice Premier said that priority will be given to such areas of economic development as promoting all-around development of farming, forestry, animal husbandry, fishery and sideline products to revitalize the rural economy, and bolstering the development of infrastructure and basic industries like water conservancy, transportation, telecommunications, energy and important raw materials.

The country will also focus its efforts on reinvigorating such pillar industries as machine-building, electronics, petro-chemistry, auto-making, and construction, and

developing vigorously science and technology, accelerating the transformation of scientific and technological results into actual productive forces, and transforming traditional industries and agriculture with new science and technology, he said.

The Vice Premier, who arrived here last Saturday on a five-day visit, also expressed his hope that the Singapore Government and businessmen of vision will enter into cooperation and exchange with China in a wider range of economic and social areas.

In the past five years since the establishment of diplomatic relations between China and Singapore, thanks to the concerted efforts of both sides, "progress has been made in our fruitful exchanges and cooperation in the political, economic, scientific and technological, and cultural fields," he said.

The visit to China by Prime Minister Goh Chok Tong in May this year played an extremely important role in encouraging Singaporean businessmen to participate in the economic development of China's hinterland and in expanding economic and technological cooperation between the two countries, he said.

Zou, who is on the third and last leg of his Asia-Pacific trip, which has taken him to Australia and New Zealand, met with his Singapore counterpart Lee Hsien Loong earlier in the day.

He is scheduled to call on Prime Minister Goh Chok Tong, President Ong Teng Cheong, and Senior Minister Lee Kuan Yew on Tuesday.

#### **Cites Growth, Benefits**

*BK2806150695 Singapore THE STRAITS TIMES  
in English 27 Jun 95 p 2*

[Report by Sunny Goh]

[FBIS Transcribed Text] China is ready to work with other countries including Singapore to enhance cooperation and exchanges and to create a peaceful and stable international environment, visiting Chinese Vice-Premier Zou Jiahua said yesterday.

The growth of China's economic strength, he added, would serve as a driving force behind the economic prosperity of the Asia-Pacific and the world as a whole.

"China's development is in itself a major contribution to that of mankind," he told a forum attended by about 150 businessmen from major local firms.

Urging them to invest there, he said: "China's economy will develop vigorously. We hope that the Singapore Government and businessmen of vision will enter into

cooperation and exchanges with China in a wider range of economic and social areas".

China has rich resources low labour costs and an economic and technological base built up over the past four decades.

Developed countries, on the other hand, have up-to-date technology, advanced management, experienced professionals and adequate capital.

"To combine the advantages of the two sides will benefit both," he said, adding that social and ideological differences should never stand in the way of developing friendly relations.

"All countries, big or small, strong or weak, rich or poor, are equal and each has its own strong points and advantages which should be brought into full play in a joint effort of developing friendly relations and cooperation," he said.

On bilateral relations, Mr. Zou, who takes charge of macro-level planning of the Chinese economy, said that investment and cooperation between the two sides had expanded continuously.

In particular, the Suzhou industrial park project was developing "at an unexpectedly high speed" while the setting up of the Shandong-Singapore Business Council in 1993 had also increased investments in the province.

"The visit to China by Prime Minister Goh Chok Tong in May this year played an extremely important role in encouraging Singaporean businessmen to participate in the economic development of China's hinterland and in expanding economic and technological cooperation between the two countries," he said.

Mr. Zou, who is here on a six-day visit at the invitation of Deputy Prime Minister Lee Hsien Loong, later answered questions ranging from the preservation of Chinese heritage to its entry into the World Trade Organization [WTO]. He assured his listeners that China would preserve important monuments and would not allow them to be demolished in the name of economic development.

On the question of the WTO, he said China to hold negotiations with all parties concerned, adding: "Of course, when China can join the WTO does not depend totally on the part of China. China wants to join the WTO and we hope to see an early solution of the issue."

Mr. Zou, accompanied by officials including Mr. Yie Qing, Vice-Minister in charge of the State Plan Commission, visited the Economic Development Board and Chartered Semiconductor manufacturing yesterday. Brigadier General Lee hosted a welcome dinner for him



last night. Today, he will visit factories and call on the President, the Prime Minister and the Senior Minister.

**Ends 'Very Successful' Trip**

OW2906055895 Beijing XINHUA in English  
0541 GMT 29 Jun 95

[FBIS Transcribed Text] Singapore, June 29 (XINHUA) — Chinese Vice Premier Zou Jiahua left here today for home after a five-day visit which he described as a "very successful one" and which he said would help further promote the cooperation between two countries.

Zou Jiahua arrived here last Saturday on the third leg of his Asia Pacific trip which had also taken him to Australia and New Zealand.

During his stay in Singapore, Zou had separate meetings with President Ong Teng Cheong, Prime Minister Goh Chok Tong, Senior Minister Lee Kuan Yew, Deputy Prime Minister Lee Hsien Loong, and other senior government officials.

He also gave a talk on the economic situation and reform in the People's Republic of China, in which he said that in compiling its Ninth Five-Year plan, the Chinese Government is calling for efforts to be made to speed up the economic development in the central and western parts of the country.

Zou, who last visited Singapore in 1988, also visited the Changi Airport, port facilities, two high-tech electronics factories, and oil-refinery facilities during the visit.

**Chinese Defense Minister Arrives in Thailand**

OW2906091195 Beijing XINHUA in English  
0856 GMT 29 Jun 95

[FBIS Transcribed Text] Bangkok, June 29 (XINHUA) — Chinese State Councilor, concurrently Minister of Defense, Chi Haotian, and his entourage arrived here this afternoon on a six-day official goodwill visit to Thailand.

He was greeted at the airport by Thai Defense Minister Wichit Sukmak.

In a written statement issued at the airport to reporters, Chi said his visit is aimed at maintaining close contacts, further promoting mutual understanding and confidence, and developing friendship and cooperation.

He said the Chinese government sincerely hopes to further consolidate and develop the existing Sino-Thai friendship and relations of cooperation.

The Chinese side will work along with Thai friends to make continued joint efforts to support and help each other, and carry out mutually beneficial cooperation, he said.

He expressed the hope that the relations between the two countries and the two armed forces will develop continuously and steadily.

Wichit told XINHUA that Chi's visit will undoubtedly help consolidate and develop the well-established good relations between the governments and armed forces of the two countries.

**Australian Delegation to Women's Conference Named**

OW2706113995 Beijing XINHUA in English  
1111 GMT 27 Jun 95

[FBIS Transcribed Text] Canberra, June 27 (XINHUA) — Australia announced today the members of its delegation to attend the Fourth World Conference on Women scheduled to be held in Beijing in September.

Carmen Lawrence, Minister for Human Services and Health and Minister assisting the Prime Minister for the Status of Women, will head the 27-member delegation which comprises 17 delegates and 10 advisers.

Among the delegates are Richard Bulter, Australia's Permanent Representative to the United Nations, Christine Williams, Commissioner of Aboriginal and Torres Strait Islander, and other government officials.

Among the advisers are Cheryl Kernot, leader of the Australian Democrats, Judi Moylan, Shadow Minister for Women's Affairs of the Opposition in the Parliament, and chief members of women, overseas aid and trade union organizations.

**West Europe**

**Qian Briefs Official on Converting Military Sites**

OW2806132795 Beijing XINHUA in English  
1238 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Chinese Vice-Premier and Foreign Minister Qian Qichen met here today with Jean Bonvin, president of the Development Center of the Organization For Economic Cooperation and Development (OECD), and some conferees of the '95 Conference on the Conversion of China's Military Industries.

Qian extended his congratulations on the success of the two-day conference, which was sponsored by the China Association for the Peaceful Use of Military Industrial Technology and the OECD Development Center.

He said that the work of converting China's military industries to civilian use began in 1979, and has had noteworthy achievements since then. "More than



70 percent of the products made by China's military industries are now for civilian use", Qian explained.

A trend of converting military industries to civilian ones has begun to take shape around the world, Qian continued, adding that producing more civilian products than those for military use will benefit peace.

He noted that China will continue to strengthen bilateral and multi-lateral exchanges and cooperation in the international arena in order to do a better job of converting military industries.

Bonvin said that through the conference, which ended here yesterday, the world has gained a more detailed knowledge of China's achievements in its conversion of military industries over the past 16 years. He told Qian that the OECD would expand its cooperation with China in the fields of conversion of military industries and environmental protection.

**Aviation Director Meets Norwegian Prime Minister**  
OW2906054195 Beijing XINHUA in English  
0404 GMT 29 Jun 95

[FBIS Transcribed Text] Stockholm, June 28 (XINHUA) — Norwegian Prime Minister Gro Harlem Brundtland met in Oslo Tuesday [27 June] visiting director of the Civil Aviation Administration of China (CAAC), Chen Guangyi.

During the meeting, the prime minister, who visited China in 1988 on Scandinavian Airlines' first flight to Beijing, expressed her willingness to promote cooperation with China in civil aviation.

Chen expressed the same hope.

During his stay in Norway, Chen signed a memorandum on cooperation with Norway in construction and development of Chinese airports.

Meanwhile, the Chinese delegation headed by Chen exchanged views with Norwegian civil aviation businesses and conducted studies on the managing system of Norway's civil aviation, airports and air transportation control as well as air technique, products and service.

**Li Lanqing Continues Sweden Visit**

**Calls For More Cooperation**

OW2906030995 Beijing XINHUA in English  
0226 GMT 29 Jun 95

[FBIS Transcribed Text] Stockholm, June 28 (XINHUA) — Visiting Chinese Vice Premier Li Lanqing called for increased economic and trade cooperation with Sweden when he met Swedish Minister of Overseas Trade Mats Hellstrom here today.

He said there exist broad prospects for Sino-Swedish cooperation as Sweden has advanced technology in agriculture, energy, transportation, communications and environmental protection, which are the priorities in China's economic growth.

Welcoming Swedish investment in central and western China, Li said the government will put more stress on the development of those regions and provide preferential treatment for foreign investment there.

He urged Sweden to continue efforts for a more open trade system in the European Union which it joined on January 1 this year.

The Chinese official expressed confidence in a closer relationship between the two countries in every field on the basis of mutual respect, more cooperation, joint development and seeking common ground while reserving differences.

Swedish Trade Minister Hellstrom hailed Li's visit as giving an impetus to the two countries' economic and trade relations.

He praised the growing economic and trade cooperation between the two countries, attributing them to the rapid growth in China and strengthened competitiveness of the Swedish industry.

Noting that telecommunications products now form a major part of Sweden's export to China, the minister expressed the hope for diversification in the future.

He expressed his government's support for China's entry into the World Trade Organization and confirmed Sweden's determination to promote free trade and reduce the EU's trade barriers.

The Chinese vice premier also met Swedish Parliament Speaker Birgitta Dahl today and the two exchanged views on issues concerning their two countries' relations.

Li, heading a delegation of Chinese entrepreneurs, is scheduled to end the six-day Sweden tour on Thursday.

**Loan Memorandum Signed**

OW2906113195 Beijing XINHUA in English  
1113 GMT 29 Jun 95

[FBIS Transcribed Text] Stockholm, June 29 (XINHUA) — China and Sweden signed a memorandum here today on Sweden's provision of loans to the Chinese government on favorable terms.

According to the memorandum, in the 1995 fiscal year, Sweden will grant China 346.5 billion Swedish Kronas (about 70 million U.S. dollars) in favorable loans that cover 19 projects.

In addition, Sweden will provide China with a 34.2-million-Swedish Krona grant (about 5 million dollars) for the training of Chinese personnel involved in the loan-related projects.

Sweden began to provide China with mixed government loans in 1983.

By the end of 1994, the Swedish government had provided China with loans totalling 1.2 billion dollars, half of which were discount loans.

These loans have mainly gone to telecommunications, urban construction, environmental protection, building materials making, food processing, paper making, metallurgy and medical care.

#### **Chi Haotian Receives Turkish Military Delegation**

OW2806132995 Beijing XINHUA in English  
1247 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Chinese State Councillor and Minister of National Defense Chi Haotian met with a Turkish military delegation here today.

The group, led by Teoman Erkan [spelling of name as received], under-secretary of the Turkish Defense Ministry, arrived here Tuesday [27 June] for a weeklong visit.

General Chi said both China and Turkey are faced with the tasks of developing national economies and safeguarding world peace, and that the growth of ties between the two countries and the two armed forces benefits the two peoples as well as the world's peace and stability.

The visit is designed to further the friendship and cooperation between the two armed forces, Erkan told Chi.

### **Latin America & Caribbean**

#### **Li Ruihuan Continues Latin America Visit**

##### **Visits Brazilian Power Plant**

OW2906004995 Beijing XINHUA Domestic Service  
in Chinese 0743 GMT 25 Jun 95

[By reporters Liu Ruichang (0491 3843 1603) and Chen Hegao (7115 7729 7559)]

[FBIS Translated Excerpt] Iguacu (Brazil), 24 June (XINHUA) — Li Ruihuan, chairman of the Chinese People's Political Consultative Conference, visited Itaipu hydropower station, the world's largest, on 24 June.

Accompanied by Jose Perera Nasimon, person in charge of the hydropower station, Chairman Li Ruihuan visited the spacious and brightly lit control center with great interest on the afternoon of 24 June. He also traveled by car to visit the hydropower station's magnificent main dam.

After finishing the visit to the hydropower station, Li Ruihuan planted a small Yabojikaba [name as transliterated] tree on the lawn near the large dam of the hydropower station to mark his visit. [passage omitted]

On the same afternoon, Emilia Belinadi [name as transliterated], vice governor of the State of Parana, hosted a luncheon for Chairman Li Ruihuan and his party at the Iguacu Falls Hotel. [passage omitted]

##### **Departs Chile for Beijing**

OW2806170695 Beijing XINHUA in English  
1430 GMT 28 Jun 95

[FBIS Transcribed Text] Santiago, June 28 (XINHUA) — Li Ruihuan, Chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), ended his four-day official goodwill visit to Chile and left here for home today.

Li's Latin American trip, which began on June 12, took him to Cuba, Jamaica, Brazil and Chile.

During the trip, the Chinese leader exchanged views with leaders of these countries on bilateral, regional and international issues. Their talks focused on ways to further cooperation between China and the four Latin American countries in political, economic, trade, cultural and other fields.

The CPPCC chairman also met with the Chinese community in the four countries and called on them to work for the promotion of mutually beneficial cooperation between China and Latin American countries.

While in Santiago, Li addressed the UN Economic Commission for Latin America and Caribbean on China's reform and opening to the outside world.

Li's visit to Latin America, the first ever by a CPPCC chairman since the founding of the People's Republic of China in 1949, is designed to promote exchanges of high-level visits between China and the four Latin American nations, deepen mutual understanding, expand interflows and cooperation and foster mutually beneficial development.

It is believed here that the CPPCC chairman's tour will give an impetus to China's relations and cooperation with Latin American countries.

Li is expected to arrive in Beijing on July 1.

**Jiang Chanyan Meets Uruguayan Trade Delegation**  
*OW2906110695 Beijing XINHUA in English*  
*1058 GMT 29 Jun 95*

[FBIS Transcribed Text] Beijing, June 29 (XINHUA)  
— Chinese Vice-Premier Jiang Chanyan met with a  
wool industry delegation from Uruguay led by Minister

of Livestock, Agriculture and Fishing Carlos Enrique  
Gasparri here this afternoon, and both sides exchanged  
views on issues of common concern.

The Uruguayan delegation started their visit to China on  
June 21 as guests of the China National Textile Council.



### Political & Social

**Officials Greet Zou Jiahua on Return to Beijing**  
*OW2906085795 Beijing XINHUA in English*  
0821 GMT 29 Jun 95

[FBIS Transcribed Text] Beijing, June 29 (XINHUA) — Chinese Vice-Premier Zou Jiahua returned here this afternoon from his visit to Australia, New Zealand and Singapore.

Ye Qing, vice-minister of the State Planning Commission, Sun Zhenyu, vice-minister of Foreign Trade and Economic Cooperation, Wang Yang, deputy governor of Anhui Province, and Wang Yingfan, assistant foreign minister, who had accompanied Zou during the visit, returned aboard the same plane.

### Deng Theory Study Activities Launched

*OW2906035895 Beijing XINHUA Domestic Service*  
in Chinese 0949 GMT 27 Jun 95

[FBIS Translated Text] Beijing, 27 Jun (XINHUA) — This reporter [name not given] has learned from the Organization Department of the CPC Central Committee that since the Fourth Plenary Session of the 14th CPC Central Committee, activities of party members to study the theory of building socialism with Chinese characteristics and the party constitution in a bid to improve their quality and strengthen their party character have been gradually launched in various localities in a planned manner. Relatively fast progress and initial results have been achieved in these activities in some localities and organizations where the leadership has attached importance to such activities and has grasped firmly work in this respect.

An important characteristic in the current study activities is that leadership has attached great importance to, made specific arrangements for, and adopted various measures to energetically carry out and promote such activities. All provinces (regions and municipalities) across the country, organizations directly under the CPC Central Committee or the central government, and the railway and civil aviation systems have formulated, on the basis of thorough investigation and study, three-year plans or plans for implementation of study activities by party members. Most provinces, regions, and municipalities, including Beijing, Shandong, Hubei, and Shaanxi, have set up leading organizations specially for grasping study activities of party members. Jilin, Inner Mongolia, and Sichuan have stressed the training of backbone elements for study activities and the building of a contingent for giving guidance to theoretical study. Fujian and Zhejiang have set up publicity and instruction groups formed by backbone people from party schools and instruction groups. These groups have

gone deep into grass-root party schools to give lectures for backbone elements for study activities and to solve problems encountered by party members at the grass-roots level in their study. Jiangsu and Hebei have carried out different experiments at selected points and used experience gained at these points to promote the study activities of entire areas. Shanghai, Henan, and Tianjin have, in light of study, carried out activities to learn from advanced people, conducted knowledge competitions, and used various flexible forms to promote the thorough development of the study activities of party members. They have obtained good results. Various localities have made full use of electrical means for education and have broadcast the video tape "Model Leading Cadre — Kong Fansen" and other tapes. They have also provided vivid, audio-visual, and image teaching materials for the study activities at the grass-roots level.

A prerequisite for doing a good job in the current study activities of party members is to constantly deepen the understanding of carrying out study activities of party members. Party committees at various levels have organized party members and cadres to study the decision of the Fourth Plenary Session and have stressed the necessity of grasping the study of the theory of building socialism with Chinese characteristics and the party constitution, regarding it as the fundamental task of building the party ideologically. Through study, it is necessary to consciously and properly solve problems of party members in establishing correct ideals and faith, upholding the purpose of wholeheartedly serving the people, seriously fulfilling obligations of party members, correctly exercising the rights of party members, and giving play to the role of vanguards and models of party members. In view of the idea among some comrades that they are too busy with their work to study, many organizations have correctly handled the contradiction between work and study, deepened their understanding of study, and made proper arrangements so that all party members can take part in study activities. The Party Group of the Civil Aviation General Administration (CAGA) of China has stressed the leading and exemplary role of leading cadres in study. In view of the confused idea prevalent among party members and cadres that "studying theories is the business of leaders and has not much to do with party members at the grass-roots level," the Party Committee of Xingou Township, Fanning County, Yancheng City, Jiangsu Province, has, in the course of organizing and conducting study activities, organized and conducted "three froms and three look-ats" activities; that is, proceeding from looking back at the situation of study among rural party members and cadres in the past few years, affirming achievements, finding out what improvement they should make, and looking at the necessity of the arrangements of the Central Commit-

tee for carrying out activities of studying theories and the party constitution among party members for three years; proceeding from the publicity and emulation of typical advanced people, looking at the importance of carrying out study activities; and proceeding from analyzing some problems existing among party members and cadres, looking at the urgency of carrying out study activities. This has enabled party members and cadres to reach ideological consensus and has universally increased the consciousness of taking part in study.

Party leading cadres taking the lead in study and party and government organs studying ahead of others have played a crucial role in promoting the study activities of party members. In Liaoning, principal leading comrades of party committees at various levels, beginning from the provincial party committee, have set examples in energetically taking part in, and seriously and properly grasping, the study activities of party members. A situation has emerged in which principal leaders grasping study, study of principal leaders being grasped, the higher level grasping the study of the lower level, and the higher level promoting the study of the lower level. The principal leading comrades of Sichuan, Jilin, and the CAGA have written articles about what they have gained in study to help grass-roots organizations further make clear the objective and requirements of the current study activities. The Work Committee for Central Government Organs has made timely arrangements and specific requirements for the current study activities of party members and it has specially stressed that party leaders at and above the department level [chu ji 5710 4787] should take the lead. At present, more than one-half of the organs of ministries and commissions have comprehensively launched the study activities. They have run one after another 247 training sessions. Seven thousand eight hundred and eighty party members have been trained, among them more than 4,000 are party leading cadres at and above the department level. Principal leading comrades of the Ministry of Chemistry made mobilization speeches for the study activities of organs of the ministry and took the lead in participating in the first party member training session. Other party group members also followed their examples and studied in the session. They have set an example for party members and cadres. In organs of the ministry, 98.5 percent of the party members have taken part in study activities. To date, the railway system has run more than 2,700 training sessions, which have given training to more than 150,000 party members and cadres of organs and party members at the grass-roots level.

Linking theory with practice and solving outstanding problems existing in the ranks of party members is the way to carry out the study activities thoroughly. In

the study activities, organs directly under the Shanxi Provincial authorities have organized party members and cadres to make comparison and examination in light of reality in the spirit of rectification of incorrect style of work. One hundred and eleven organizations have carried out investigation and handled problems about which the masses of people have strongly complained about. Through study, the provincial financial department, the Bank of Agriculture, and the metallurgical department have made marked improvement in the work of offices. They have geared themselves to serve the grass-roots level and have done more solid work to benefit the people. They have also quite satisfactorily changed the past situation in which the people found it difficult to enter offices, the office workers put on a long face, and it was difficult to have problems solved. In organizing party members to study, the Work Committee for Organs Directly Under the Provincial CPC Committee of Liaoning Province has focused its attention on firmly establishing the objective of wholeheartedly serving the people and conducted in organs at the beginning of this year large-scale activities of "establishing ties with fixed points to help the poor." Fifty-five organizations have formed ties with 95 poverty-stricken villages or enterprises which have a lot of difficulty. They have helped a total of 219 poor households raise 1.74 million yuan of funds. They have also donated some chemical fertilizer, seeds, domestic animals, and other materials for agricultural use and articles for study and cultural use. Through study and discussion, party members of some rural areas in Tianmen City of Hubei Province have taken the lead in building roads and setting up enterprises or donating funds for such activities. They are spoken highly of by the people. In many localities, through organizing the broad masses of party members and cadres to emulate the advanced deeds of Kong Fansen, and holding organization life meetings of party members and democratic life meetings of leading bodies to examine their ideology, work, and work styles to find out what should be improved, large numbers of party members and cadres have enthusiastically requested to be sent to work in Tibet on their own initiative. In view of problems among a small number of rural party members and cadres such as abusing power to seek personal gains, eating and drinking at public expenses, and seizing public property, Heilongjiang Province has, on the basis of deepening understanding through study, solved in a concentrated manner problems such as using public money for eating and drinking, seizing public property and land, and has sternly meted out punishment for cadres who have violated law and discipline.

The Organization Department of the CPC Central Committee has pointed out that at present, the momentum of the activities of party members of studying theories

and the party constitution is not bad, certain achievements have been made, and some experience has been accumulated. However, according to the demands of the Central Committee, there is still much to do. Some localities are summing up the situation of study of the past period and have put forward demands for promoting the development of the study activities in the next period in a thoroughgoing manner. They have demanded that leading cadres attach great importance to the activities and take the lead in studying well. On the basis of organizing party members and cadres to study the original works of Comrade Deng Xiaoping, it is necessary to study the "Outline for Studying Comrade Deng Xiaoping's Theory of Building Socialism With Chinese Characteristics" published by the Propaganda Department of the CPC Central Committee, make efforts to understand the spiritual essence of the theory of building socialism with Chinese characteristics and master the scientific system, and constantly promote the thorough development of the study activities of party members.

**Movie Planned Featuring Mao's Life**

OW2806133295 Beijing XINHUA in English  
1310 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — China is set to produce a movie featuring tales about the late Chairman Mao Zedong during the Long March 60 years ago.

A senior official with the Ministry of Radio, Television and Film, said here today at a press conference that the movie is intended to mark the 60th anniversary of the March of 25,000 Li (12,500 kilometers), undertaken by more than 80,000 Red Army soldiers.

The movie describes the events of the Long March from the victory in the Xiangjiang Battle in south China's Hunan Province to the successful arrival in northwest China's Shanxi Province, he explained.

The movie will portray Mao Zedong and other veteran Chinese revolutionary figures, such as Zhou Enlai, Wang Jiaxiang, and Zhang Wentian, he added.

It was revealed that the film is to be produced jointly by the China Film Foundation and Guangxi Film Studios. The director is to be Zhai Junjie.

**Peasants Build Temple Dedicated to Mao Zedong, Others**

OW2806130595 Tokyo KYODO in English  
1215 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 KYODO — A group of Chinese peasants in the central province of Hunan have built a large temple dedicated to Chinese

revolutionary leaders Mao Zedong, Zhou Enlai and Zhu De, a state-run daily reported Wednesday [28 June].

The temple, called the San Yuan Temple, located near Laiyang, Hunan Province, was built by local peasants at an estimated cost of between 20 and 30 million yuan (2.4 to 3.6 million dollars) and covers an area of around 120,000 square meters, the CHINESE BUSINESS TIMES reported.

Built in a traditional style, the temple has separate pavilions, with Mao's pavilion the largest, where incense is burned and the three communist revolutionaries are worshipped.

Construction, which includes a concrete access road, was funded entirely by private donations, the paper said.

In April, local authorities who view activities at the temple as being based on "ignorance and superstition" refrained from outlawing the practices due to protests from devotees, it added.

**Population Shift Raises Living Standards in Ningxia**

OW2806234695 Beijing XINHUA in English  
1257 GMT 22 Jun 95

[FBIS Transcribed Text] Yinchuan, June 22 (XINHUA) — For the first time in history, people in Ningxia's Xihai Prefecture, China's poorest area, have realized that a large population density is one of the primary causes of dire poverty.

The prefecture occupies 30,456 sq km in the southern part of China's Ningxia Hui Autonomous Region, with an elevation ranging from 1,300 to 2,900 m [meters] above sea level. Some two million people are packed in the prefecture's eight counties.

Nearly 80 percent of the land in the prefecture used to suffer from soil erosion while drought, hail, frost, flood and windstorms were frequent visitors.

In a nationwide anti-poverty drive, more than 170,000 farmers in the region's 20-odd poor and arid southern townships moved to northern Ningxia, where there are large plains, adequate sunshine and a plentiful supply of water as it is near the Yellow River, China's second-largest river system.

The large population shift resulted in a significant improvement in people's living standards. In 1994 the average annual income per farmer in Xihai rose to 592 yuan, 38.2% more than the 1993 figure or almost 10 times than years ago [sentence as received]. More than 510,000 people have left poverty behind.

Haodian Township is a shining example in this respect.



The township has 57 villages, with a total population of 12,000. As 60 percent of the land there is hills, gullies and upland fields with slopes of 25 degrees on average, local farmers could hardly harvest enough grain for their own needs before and had to live on state relief. The per capita annual income hovered around 40-50 yuan for years.

It was not an uncommon scene in Haodian as well as in Xihaigu for all the members of a family to share one quilt, and people lived in constant hunger and cold.

Over 4,000 local residents, one third of the township's total population, resettled in the north on their own initiative during the historical population shift which started in late 1980s.

The local government organized most of the remaining villagers to engage in rural industry, side-line occupations and water conservation projects, with the rest working in the fields with modern agro-techniques.

In just five years radical changes have taken place in this impoverished area. Distinctive two-story buildings have replaced the former thatched cottages. Department stores, restaurants and karaoke clubs abound. The annual per capita income and grain consumption have both increased by 30 percent.

One quarter of the households are equipped with running water, unthinkable only a few years ago, when they had to travel 20 km to fetch a barrel of water.

Investors from other provinces and countries have flocked to build joint ventures and develop tourism in recent years.

Local economists have described the population shift as the most efficient way to help the poor to become better-off, because the relocation of one farmer benefits three who stay behind as the local resources can be deployed optimally.

The practice has also lowered the population density from 50 persons per sq km to 30, alleviating the abnormal imbalance between population density and natural resources.

#### **Nation Launches 'Massive' Anti-Drug Campaign**

*OW2806171695 Beijing XINHUA in English  
1545 GMT 28 Jun 95*

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — A massive anti-drug campaign was launched in various parts of China recently as part of activities marking International Day Against Drug Abuse and Illicit Trafficking.

Four drug-smugglers were sentenced to death in accordance with the law at an anti-drug meeting held in

Wuzhong City, in northwest China's Ningxia Hui Autonomous Region, on Monday. A total of 12,865 grams of heroin and 689 grams of opium were burned at the meeting.

In central China's Hunan Province, 4,000 grams of heroin, 16,000 grams of opium, and 2,650 kg of opium poppies seized during the past three years were burned at a mass rally on June 22. Five drug-traffickers were sentenced to death in accordance with the law.

Public security officers in southwest China's Guangxi Zhuang Autonomous Region killed a foreign drug-trafficker on the Chinese side of the Sino-Vietnamese border on June 11 and seized 10 kg of heroin, 11 military pistols, and 48 bullets. His partner fled across the border.

The regional anti-drug committee of Guangxi uncovered 8,564 drug-related cases in the past 17 months, seizing 170 kg of heroin, 261 kg of opium, 8.71 kg of caffeine, 2.4 kg of marijuana, and 55.36 kg of other drugs, which were all smuggled in from across the border.

A total of 24 people were sentenced to death in accordance with the law in Guangxi for drug-trafficking last year. Eight were sentenced to death, 363 others were given various jail sentences.

The region has also built eight new drug-addiction treatment centers.

#### **Trade Management Forum 1995 Opens in Beijing**

*SK2906064395 Beijing XINHUA Domestic Service  
in Chinese 2131 GMT 28 Jun 95*

[By reporter Zhang Jinsheng (1728 6930 0524)]

[FBIS Translated Text] Beijing, 28 June (XINHUA) — The 1995 forum on management of all trades opened in Beijing on 28 June. This was a high-level forum devoted to extensively and penetratingly probing into and researching the major questions on how to strengthen management of various trades and establish a new system governing industrial management by integrating theory with practice under the condition of the socialist market economy. Zhu Rongji, vice premier of the State Council, sent a congratulatory message on the opening of this forum and wishing the forum success.

In his letter to the forum, Comrade Bo Yibo pointed out: We hope that this forum will profoundly probe into and research major issues such as separating government administration from enterprise management, transforming government functions, strengthening management of various trades, and establishing a new system on industrial management in order to contribute to fulfill

the magnificent goal of establishing the socialist market economic system.

At this high-level forum, cosponsored by the State Economic and Trade Commission, the State Planning Commission, the State Commission for Restructuring Economy, the Chinese Industrial Economy Association, and the RENMIN RIBAO Agency, Wang Zhongyu, minister of the State Economic and Trade Commission; and Xu Penghang, vice minister of the State Economic and Trade Commission; delivered speeches on the subject of probing into the management of various trades under the condition of the socialist market economy. They pointed out: In establishing the socialist market economic system, the transformation of government functions and the separation of government administration from enterprise management are not only crucial to the establishment of the modern enterprise system but also critical to the successful management of various trades. The key to establishing a trade management system that is compatible with the national condition of China lies in the resolution to the following two problems: 1) the problem with regard to the transformation of government functions; and 2) the problem concerning the cultivation and development of such professional intermediate organizations as trade associations and commercial chambers and concerning the fixing of the functions of government and professional intermediate organizations.

They pointed out in their speeches: In probing into the trade management with Chinese characteristics, we should persist in following several principles, that is, the management should suit the principle and demand of the socialist market economy; should be consistent to the process of the economic restructuring of the state; should help perfect the macroeconomic management system; should be conducive to the cultivation of market systems; should be favorable to playing the role of associations of various trades; and should be closely combined with the deepening of enterprise reform. Departments of government and associations of various trades should be the major organizations to manage various trades. Government departments should play a guiding role in management of various trades. Conducting macroeconomic regulation and control over the national economy is a high-level management, including the management through economic, legal, and administrative, if necessary, means and the management and supervision over the market intermediate organizations.

On how to give full play to the role of associations of various trades, they pointed out: Associations of various trades should be the major force to manage various trades. Market intermediate organizations, such as associations of trades and chambers of commerce, constitute the bridge to link government with enterprises as

well as an effective organizational form to strengthen the government's policy guidance, information communication, coordination, and service to enterprises and to establish close ties between different enterprises. Trade management should be conducted mainly through the forms of coordination and service as well as democratic consultation. Decided by their own characteristics, associations of various trades should orient themselves to both government and enterprises and should play the role of two-way coordination and service between the government and enterprises, with emphasis on the service to enterprises. It means that associations of various trades should play an important role in implementing the state economic policies, in standardizing and optimizing the market order, in safeguarding and coordinating the rights and interests of various enterprises of the same trades, in providing various forms of service, and in facilitating communications between the government, markets, and enterprises.

Lu Dong, president of the Chinese Industrial Economic Association; and Hong Hu, vice minister of the State Commission for Restructuring Economy; also spoke at the forum. Some noted economists and entrepreneurs submitted more than 20 theses to the forum.

#### **Crime and Punishment in PRC for 15-28 Jun** **HK2906080095**

[FBIS Editorial Report] The following is a compilation of reports on crime, investigations, trials, sentencings, and other judicial-related activities in the PRC monitored during the period 15-28 June 1995. The source and mode of processing are given in parentheses at the end of each entry. Certain reports deemed more significant may have been filed separately, in which case the summary will include the serial number of the separately filed item.

As evidenced by the stories listed below, during this period PRC crime reportage focused on drug offenses.  
**NATIONAL**

#### **Unprecedented Case of Lawyer Arrested for Negligence**

A senior lawyer was sentenced to three years imprisonment for dereliction of duty. The lawyer known as Peng, acting as defense on behalf of a suspect charged with murder. Peng presented a permit and was able to meet the suspect, Yang Shuiguang, on May 13 last year outside the cell where Yang was confined. Without informing any of the guards, Peng gave his personal permission to Yang on two different occasions to go to toilet and to have a drink. Peng took no supervision nor other precautionary measures which led to the escape of

Yang still wearing handcuffs. Peng failed to report the case to the ward authorities at once. On learning that Yang had escaped from the prison, Peng reported the escape to the public security bureau. Yang has been at large for one year and his present whereabouts are still unknown. The court tried the case of dereliction of duty, which was unprecedented in China. Following a nine-month deliberation, the court retried the case and found that Peng's misconduct constituted dereliction of duty. He was finally given a three-year sentence. (Summary) (Beijing ZHONGGUO XINWEN SHE in English 1220 GMT 21 Jun 95)

### **379 Drug Trafficking Cases Uncovered in First Five Months**

A total of 379 drug trafficking cases were uncovered by public security departments and frontier guards between January and May of this year, with 57,885 grams of heroin, 41.1 kg of opium and 4.359 million yuan in illegal earnings seized. At the same time, 489 drug traffickers were captured. Drug trafficking activities remain concentrated in the Southwest border regions of Yunnan and Guangxi provinces, but there is also rampant drug trafficking in Jilin, Liaoning and the Inner Mongolia regions. In the southern provinces of Fujian, Guangdong and Hainan also register serious drug-related crimes. Public security and border defense forces are intensifying anti-drug campaigns, striving to block smuggled drugs and firearms from flowing into China. They have staged "hit-them-hard" campaigns, which helped to uncover a number of drug trafficking cases, seizing drugs and a number of drug traffickers. As a result, drug cases uncovered and the amount of drugs seized have both showed a decline compared to the same period last year. (Summary) (Beijing ZHONGGUO XINWEN SHE in English 0851 GMT 22 Jun 95)

### **Customs Fight Against Drug-Related Crimes**

From January 1994 to May 1995, China customs uncovered a total of 57 drug-related cases and seized 210 kg of heroin, 49.4 kilograms of opium, 4.3 tonnes of opium poppy seeds and 225 kg of drug producing raw materials. Analyzing the new trends of drug-related crimes within the boundaries of China, an official from the General Administration of Customs said drug trafficking activities have intensified in the past two years, with drugs being found at airports, ports and being sent through the post in districts such as Beijing, Tianjin, Shanghai, Guangzhou, Shenzhen, Nanning, Gongbei and Harbin. Frequently, there are also intensive drug trafficking activities in the border areas of Northwest and Northeast China. The official added that drug-related crimes are getting more and more complicated, and customs are confronting new

challenges in curbing drug trafficking. In mid-April, the General Administration of Customs held a special meeting in Kunming, demanding that coastal, border and inland customs exert their best efforts to launch a concerted blow against multinational drug trafficking activities. (Summary) (Beijing ZHONGGUO XINWEN SHE in English 1229 GMT 23 Jun 95) PROVINCIAL FUJIAN

### **Xiamen Customs Seize 20 Million Yuan Worth of Smuggled Cigarettes**

Recently, two cases of cigarette smuggling were ferreted out by Xiamen Customs in which over 7,850 cartons of Marlboro and other famous brand cigarettes with a total value of 20 million yuan were seized. On 7 June, a Hong Kong passenger was found to have concealed in his baggage 207 Motorola pagers, worth more than 200,000 yuan. In the first five months of this year, Xiamen Customs has cracked down on 49 smuggling cases with a total value of about 2.74 million yuan. (Summary) (Beijing ZHONGGUO XINWEN SHE Chinese 1054 GMT 18 Jun 95)

### **Xiamen Police Seize 8,000 Grams of Heroin**

After seizing 656 grams of heroin last weekend, Xiamen city police smashed another three drug traffickers' dens on 26 June, seizing a total of 8,000 grams of heroin and circulating funds from drug trafficking, totaling more than 100,000 yuan. Three drug traffickers, Zhang Jianguo, Wang Weiguo, and Yang Wenqing, were arrested during the operation early in the morning on 26 June. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 1253 GMT 26 Jun 95)

### **GUANGDONG**

#### **Guangzhou Railway Public Security Police Crack Over 1,000 Cases**

Guangzhou Railway Public Security Bureau launched a "spring severe crackdown offensive" beginning 1 March this year, in which 1,093 cases were uncovered, 194 criminal gangs were cracked, 1,394 criminals were arrested, and stolen money and articles with a total value of over 1.68 million yuan were seized. Among the 372 serious cases, the most conspicuous one involved three criminal gangs who produced and sold forged tickets with a face value of 1 million yuan. (Summary) (Hong Kong ZHONGGUO TONGXUN SHE Chinese 1104 GMT 11 Jun 95)

#### **Shenzhen, Guangzhou Police Crack Kidnapping, Blackmailing Case**

Yesterday, assisted by public security organs in Guangzhou, Shenzhen Baoan Public Security Sub-



Bureau cracked an extraordinarily large kidnapping and blackmailing case, in which the hostage was rescued unhurt and five kidnappers were caught, including a female from Zhejiang, a man from Jiangxi, and three men from Zhejiang. On the afternoon of 12 June, a Shenzhen resident informed the police station that her husband along with his car, was kidnapped by five criminals. That night, the kidnappers called, demanding 200,000 yuan in ransom to be brought to the Guangzhou Liufa Hotel by midnight, in exchange for her husband's release, 10 police officers rushed to Guangzhou and, with the help of the Guangzhou City Public Security Bureau and Liufa Public Security Sub-Bureau, organized forces to wait for the criminals at the hotel. In the small hours of 13 June, the criminals, holding the hostage, appeared and were caught on the spot. This case is now under investigation. (Summary) (Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0841 GMT 14 Jun 95)

#### **Six Offenders Executed for Forging Value-Added Tax Receipts**

The Supreme People's Court sentenced and executed five criminals for forging value-added tax receipts and a taxation official for neglecting his duty and accepting bribes. From October 1993 to April 1994, Lin Huixiong and Lin Youkuan, peasants from Lufeng County, fabricated 20 seals and bought 39,000 yuan worth of fake ordinary receipts and 90,000 yuan worth of fake value-added tax receipts from criminals Qiu Guibiao, Lin Yi, and Lin Zhengsheng, and then sold them earning over 70,000 yuan. After their case was exposed, the police seized at their home 15,000 yuan worth of unsold fake receipts, 12 fabricated seals, 17,000 yuan of illicit money, and a number of knives and bullets. Huang Qiangqiu, former deputy director of the taxation office directly under the Dinghu District Taxation Bureau in Zhaoqing City, accepted over 70,000 yuan of bribes from an individual household trader surnamed Huang for collecting, on the latter's behalf, 500 sets of value-added tax receipts. Later, the trader issued those receipts, which involved over 20 million yuan in taxes, incurring great losses to the state. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 1341 GMT 15 Jun 95)

#### **Police Crack Kidnapping Case**

Dongguan police recently cracked a kidnapping case. On 20 May, as Liu Yuan-ching, a Taiwan businessman, and his girl friend were going back to their dormitory in Qingxi Town where he had made an investment, they were seized by three kidnappers who robbed him of 27,000 yuan and threatened to kill him unless he paid a ransom of 30,000 yuan. Dongguan police immediately

went to the site designated for handing over the ransom money and arrested the kidnappers when they tried to run away with the money. The entire process only lasted one hour and 40 minutes. (Summary) (Beijing ZHONGGUO XINWEN SHE Chinese 1304 GMT 15 Jun 95)

#### **18 in Shenzhen Guilty of Selling Fake Value-Added Tax Receipts**

On the morning of 15 June, Shenzhen City Intermediate People's Court passed judgment on a case involving the sale of fake value-added tax receipts. A total of 18 offenders were seriously punished for "profiteering," and four of them were sentenced to death and executed, one was sentenced to life imprisonment, and 13 others were sentenced to set terms of imprisonment. This is the first case since the founding of the Shenzhen special economic zone that offenders were sentenced to death for "profiteering." (Summary) (Hong Kong TA KUNG PAO in Chinese 16 Jul 95 p A4)

#### **Six Female Students Saved by Guangzhou Police**

The day before yesterday, police officers in Guangzhou City stopped a coach from Hubei upon receiving information of an abduction, and rescued six junior secondary school female students abducted from Gonggan County in Hubei Province, and arrested a culprit surnamed Wang, but another culprit is still at large. Initial interrogations revealed that the six girls, aged from 14 to 16, were lured to leave their hometown on 12 June and offered work in hotels in Guangzhou and Shenzhen at 2,000 yuan monthly pay. Their parents immediately reported the case to the police. (Summary) (Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1056 GMT 17 Jun 95)

#### **Drug Traffickers Arrested in Shenzhen**

Police arrested 734 drug traffickers and seized more than 12 kilograms (26.4 pounds) of heroin in Shenzhen. Police also broke up 217 narcotics distribution networks during an anti-drug crackdown from March 1 to May 31, and detained 2,157 addicts. Nearly 1.5 million yuan and 400 firearms were seized from the traffickers. (Summary) (Hong Kong AFP in English 0857 GMT 19 Jun 95)

#### **Guangdong Holds Briefing on Anti-Drug Operation**

Guangdong Provincial People's Congress Standing Committee held a meeting today to hear briefings by provincial people's congress unified anti-drug operation inspection teams on work in this area across the province. In early June, Provincial People's Congress Standing Committee sent eight inspection teams to

Zhuhai, Shanwei, Luodian, Jiangmen, Dongguan, Doumen, Foshan, and Guangzhou to inspect the conditions for launching the unified anti-drug operation. Aside from rounding up a large number of drug-triffickers and drug-addicts, who were sent to undergo forced treatment, another marked result is that crime rates in various places has dropped by a wide margin. (Summary) (Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 19 Jun 95)

#### **A Foreign National Arrested in Shenzhen for Drug Trafficking**

A foreign national was arrested at Shenzhen's Luohu customs on 15 June for trying to smuggle 1,920 grams of marijuana paste out of China. According to the traveler, at the order of a drug trafficking ring, he crossed the border in the morning and boarded a train to Guangzhou to receive the drugs at a guest house. He returned to Shenzhen the same evening with the intention of taking the drugs to Hong Kong. As the biggest drug-trafficking case uncovered this year, the case is under further investigation. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 1348 GMT 19 Jun 95)

#### **Guangdong Holds Anti-Drug Forum**

The provincial anti-drug unified operation office, the provincial working committee for institutes of tertiary education, the provincial CYL committee, the provincial educational office, the provincial federation of workers' trade unions and the provincial women's federation jointly held a anti-drug forum on the afternoon of 19 June. Ou Huicheng, deputy secretary of the provincial commission of politics and law, concurrently provincial anti-drug unified operation office director briefed participants on recent anti-drug results in Guangdong. Provincial educational office director Xu Jiayuan said that it was vitally important to unfold anti-drug education among the 12 million primary and secondary school pupils across the province. Provincial CYL committee responsible person indicated that 70 percent of drug addicts are teenagers. Thus, the focus on the anti-drug campaign lies in doing a good job of educating teenagers. (Summary) (Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 20 Jun 95)

#### **Anti-Drug Committee To Launch Activities To Mark Anti-Drug Day**

At a news conference on 19 June, Guangzhou anti-drug committee responsible person announced that to coordinate with unified anti-drug operation to mark the eighth anniversary of the World Anti-Drug Day, Guangzhou anti-drug committee and related departments were to jointly launch a series of activities in anti-drug propaganda, including passing sentences on a number of

drug-related criminals. (Summary) (Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 20 Jun 95)

#### **Culprits of Macao-Hong Kong Ferry Robbery Surrender**

At around 0500 this morning, two culprits involved in the HK\$10 million [Hong Kong dollar] Macao-Hong Kong ferry robbery, Zhang Shaomian, and Zhou Hanlian surrendered to Zhongshan county public security bureau police, accompanied by two elder brothers of Zhang Shaomian. It was learned that the two culprits, Zhang and Zhou were the two robbers involved in the HK\$10 million Macao-Hong Kong ferry robbery. Presently, Zhongshan city public security bureau is exerting an all-out effort to arrest the other culprit still at large. (Summary) (Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 20 Jun 95)

#### **Nine Pirates Caught in Zhu Jiang Estuary**

Nine pirates of unknown nationality were escorted from Guishan Island back to Guangzhou on 25 June. More than 10 ships operated by the Guangzhou Sea Transport Group have been robbed by pirates since March this year. A pirate was captured on 24 June on board the cargo ship Danxia Shan berthed in Guishan Island. Eight other pirates at large were later also caught. (Summary) (Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0634 GMT 26 Jun 95)

#### **Eight Drug Traffickers Sentenced in Shenzhen**

On 27 June, Shenzhen's Baoan District People's Court sentenced eight drug traffickers and criminals of illegal possession of drugs to set terms of imprisonment. According to the letter of judgment, defendant Zeng Guang sold 6.7 grams of heroin to a drug user called Liao at Longhua Town Bus Terminal. That same evening, through pagers Zeng Guang contacted Chen Zesong and Chen Zhenshun about the venue for a drug transaction. At around midnight, they were arrested by public security personnel in front of a shop in the town of Buji, and seized 47.6 grams of heroin from Chen Zesong. Chen Zesong, Chen Zhenshun, and Zeng Guang were sentenced to 13 years, seven years, and three years imprisonment respectively."

At a public-sentence rally today, four people were sentenced to death. They include Xie Xiaoli and Luo Yongxiang for intentional homicide, Chen Wenjing for robbery, and Wang Bo for intentional injury and theft. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 0534 GMT 27 Jun 95)

#### **Guangzhou Arrests 6,000 Drug Addicts in Three Months**

The Guangzhou Municipality has achieved excellent results in its recent anti-narcotics operations, according to deputy director of the municipal public security bureau, Xie Fuxing at the recent Standing Committee Meeting of the Guangzhou Municipal People's Congress. Xie Fuxing said that during the past three months, municipal police officers have seized a large quantity of dangerous drugs including 216,000 grams of heroin, 2,400 grams of morphine and 17,000 grams of miscellaneous drugs; arrested 962 drug traffickers, 5,988 drug addicts; raided 88 premises frequented by addicts; smashed 451 drug black markets; cracked down on 79 trafficking syndicates; and arrested 380 syndicate members. Xie further disclosed that the Haizhu Police Division has managed to crack down on a very serious trafficking case masterminded by an international trafficking syndicate to smuggle dangerous drugs into China from the "Golden Triangle," for the purpose of resale to other countries via Guangzhou. As a result, 12 traffickers were arrested and 159,250 grams of heroin seized from the biggest drug case in the history of Guangdong Province. Xie further said that 3,700 of the 6,000 drug addicts arrested have been sent to rehabilitation centres to undergo drug rehabilitation programmes, while another 270 were sent to labor centres. (Summary) (Beijing ZHONGGUO XINWEN SHE in English 1211 GMT 28 Jun 95) GUANGXI

#### Guangxi Scores Successes in Anti-Drug Operations

On 8 June, the Guangxi police cracked a major armed drug-trafficking case, seizing 5.4 kg of heroin and a military pistol and arresting two Burmese criminals. On 11 June, the police shot and killed an outside-the-border drug trafficker at the Sino-Vietnamese border and seized 10 kg of heroin and 11 military pistols. Since last year, Guangxi has cracked 129 major drug cases. On 16 May last year, the police arrested five criminals from outside the border and seized 14 kg of heroin. In the first five months of this year, the number of cracked major drug-trafficking cases rose by 36.2 percent over the same period last year. In 1994, Guangxi seized 157.43 kg of drugs originating from Vietnam, accounting for 53.2 percent of the total quantity of confiscated drugs, and arrested 63 drug traffickers coming from outside the border. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 0941 GMT 24 Jun 95)

#### Guangxi Steps Up Anti-Drug Operations

Lin Chaoqun, director of the public security department of the Guangxi Zhuang Autonomous Region, said: The proportion of drug users committing crimes has been increasing. Many crimes are committed by drug users. Therefore, it would be impossible to reduce criminal cases without resolving the drug problem.

Since the beginning of this year, the Guangxi police have intensified operations against drug-related crimes. In the first five months of this year, some 91.7 kg of opium and 48,100 grams of heroin were seized in the region. In the second half of this year, the region will strive to attain two goals in its anti-drug operations: One is to cut off the drug route, making it impossible for the drugs to enter the border, and the other is to crack down on drug abuse and step up anti-drug and drug-kicking work. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 1309 GMT 19 Jun 95)

#### Guangxi Scores Outstanding Successes in Anti-Crime Operations

At a news briefing, Lin Chaoqun, director of the public security department of the Guangxi Zhuang Autonomous region, said: In the first five months of this year, the incidence of crimes in Guangxi dropped by nearly 20 percent over the same period last year, while the growth rate of major crimes dropped by 28 percentage points. During that period, the region cracked a total of 25,997 criminal cases, a success rate of 79.5 percent. The police have also launched a unified action to ban prostitution and gambling, investigating and dealing with over 5,700 prostitution cases and over 14,000 gambling cases, an increase of 33 percent and 15 percent respectively over the same period last year. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 1348 GMT 19 Jun 95)

#### Public Security Organs Achieve Results in Cracking Down on Crimes

On the morning of 16 June, Lin Chaoqun, director of the regional public security department, announced the results achieved by our region during the severe crackdown on crimes from last January to May: A total of 25,997 criminal cases of all kinds were cracked, among which 7,825 were major cases, up 11.1 percent over the same period last year; 1,507 criminals at large were captured, including 823 serious criminals; a total of 4,499 criminal gangs of all kinds, with 18,988 members, were smashed, among which 1,393, with 5,672 members, had perpetrated serious crimes and 42, with 191 members, were in the nature of criminal syndicates; 112 military rifles and 1,081 bullets were seized; 91.7 kg of opium and 48.1 kg of heroin were seized; a total of 31,600 or so culprits having perpetrated all kinds of criminal cases were exposed, among them 14,600 or so have been dealt with, including 8,800 or so placed under arrest; 5,757 cases of prostitution and whore-visiting were cracked, up 32.9 percent over the same period last year; 14,191 gambling cases were cracked, up 15 percent over the same period last year; and 619 vehicle-stealing cases were solved, which was



123, or 24.8 percent, more than those solved during the same period last year. (Summary) (Nanning Guangxi People's Radio Network in Mandarin 1130 GMT 17 Jun 95)

#### **HAINAN**

##### **Haikou Drug Addiction Treatment Clinic**

To further ban narcotics, Haikou authorities have just set up its first forced drug addiction treatment clinic, with 2,200 square meters of floor space, it includes an outpatient clinic, a therapeutic room, a lab, a dormitory for patients, as well as an entertainment room. The addicts that choose to undergo treatment will be sent here, treatment takes from three to six months. The clinic has a capacity of treating some 600 drug-addicts each year. (summary) (Haikou Hainan People's Radio Network in Mandarin 2300 GMT 5 Jun 95)

##### **Anti-Narcotics Activities Carried Out in Hainan**

Yesterday afternoon, provincial CPC Committee and government of the provincial Public Security Department held a telephone meeting and news briefing on carrying out an anti-narcotics struggle throughout the province. Hu Zhihua, director of the provincial Public Security Department, read a working plan for anti-narcotics month, and proposed specific guidelines on implementing the plan. Illegal and criminal activities of drug-trafficking and drug-taking are, as a whole, still in the initial stage in our province, but they are spreading, especially in some key cities where the situation is very grave. It has been decided that from 12 June to 12 July activities will be carried out throughout the province with anti-drugs propaganda and cracking narcotics cases as its major initiative to mobilize people to take positive actions to resolutely strike blows at the criminal activities related to drugs and promote anti-narcotics struggle in a profound and sustained manner. According to initial statistics, more than 160 drugs-related cases have been cracked, more than 28,000 grams of drugs have been seized, and more than 120 drugs traffickers have been arrested in our province. More than 700 drug addicts have been sent to detoxication clinics. (Summary) (Haikou Hainan People's Radio Network in Mandarin 2300 GMT 12 Jun 95)

##### **Hainan Scores Initial Success in Anti-Drug Operations**

Hainan Province recently launched a special anti-drug operation to crack down on drug-related activities. According to initial statistics, the province has cracked over 160 drug-related cases, seizing over 28,000 grams of drugs and rounding up over 120 drug traffickers and drug users. In Haikou City 64 drug-related cases were

cracked, in Sanya City 54 drug traffickers and drug users were rounded up, and in Danzhou City 38 drug-related criminals were arrested. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 0352 GMT 23 Jun 95)

##### **Four Drug Traffickers Executed in Haikou**

The Haikou city intermediate people's court held a public rally to pronounce judgment on drug trafficking cases on 26 June. Four drug traffickers, Hou Ronghua, Zhou Caiji, Jiang Ming, and Lin Xiaolong, were sentenced to death and executed. Two other drug traffickers Wen Haiping and Tang Bihai were sentenced to death with two years probation. During the rally Haikou mayor Zeng Haorong revealed that the Haikou police have cracked 135 drug trafficking cases and captured 71 drug traffickers and 352 drug addicts since the anti-drug operation was launched earlier this year. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 1239 GMT 26 Jun 95) HENAN

##### **Provincial Public Security Handles Cadres' Law Violations**

A circular issued by the provincial public security department revealed that the department had recently identified and dealt with a number of cases involving public security policemen who had violated the law and lacked discipline. The most typical instance occurred on 27 January when Fang Jinguang, a policeman belonging to Ningling County Public Security Bureau, hit a bicycle with his motorcycle and hurt a boy. He quarreled with the boy's father, beat him, and shot him dead with his handgun. Fang was found guilty and executed on 11 February. The circular calls on the vast number of public security policemen and cadres to enhance their awareness of abiding by the law and to be disciplined. (Summary) (Zhengzhou HENAN RIBAO Chinese 4 Jun 95) HUBEI

##### **Wuhan Police Cracks Stealing, Selling Panda Case**

On 29 May, two Wuhan residents, Yuan Hanming and Lu Shiguo, were arrested in Wuhan for buying a panda from Liao Shengping and Hu Shiping for 135,000 yuan and selling it to a Guangdong buyer for 700,000 yuan. Another four persons implicated in the case were also arrested in Wuhan and Luotian. (Summary) (Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0843 GMT 19 Jun 95)

##### **JIANGXI**

**Jiangxi Investigates Over 200 Corruption, Bribery Cases**

From January to May of this year, Jiangxi has investigated 229 corruption and bribery cases, each case involving over 10,000 yuan. The number of cases increased by 44 percent compared with the same period last year. Du Baoguo, Deputy Chief Procurator of the People's Procuratorate said at a press conference yesterday, that the province has investigated in the first five months of this year, 574 cases of corruption, bribery, misappropriation of public funds, tax evasion and counterfeit trademarks, which increased by 8.3 percent compared with the same period last year. Of these cases, 13 officials at county-level and above were prosecuted, an increase of 62.5 percent compared with the same period of last year. From January to May, 114 government officials were prosecuted, an increase of 78 percent compared to last year. Among these 114 officials, 34 were from Party and government offices; 23 from executive and judicial organs; and 47 from economic and administrative departments. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 1137 GMT 20 Jun 95) SHANDONG

**Qingdao Attains Good Results in Spring Anti-Crime Operations**

Qingdao has scored major successes in the three-month-old spring crackdown on crimes, cracking over 4,300 criminal cases, destroying 172 syndicates, punishing over 2,200 criminals, and seizing over 8 million yuan in illicit money and stolen goods. Meanwhile, the police have also punished a large number of hooligans in the rural areas. In the course of the crackdown, public security organs at all levels stepped up comprehensive management of public order, thus improving public order in the city. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 1105 GMT 19 Jun 95) SICHUAN

**Four Drug Traffickers Executed in Sichuan**

The Chengdu city intermediate people's court held a public rally on the morning of 27 June to pass sentence on drug traffickers. Drug traffickers Tian Ruqing, Deng Jixian, Que Xingzhong, and Yang Rongfen were sentenced to death and executed; Jin Yansen, Zhang Guijie, and three other drug traffickers were sentenced to death with two years' probation; and five other drug traffickers were sentenced to life imprisonment. During the operation in response to International Anti-Drug Day, a total of 16 drug traffickers have been executed as of 27 June. (Summary) (Beijing ZHONGGUO XINWEN SHE in Chinese 1317 GMT 27 Jun 95) YUNNAN

**Kunming Executes 22 Drug Criminals**

The Kunming Municipal Intermediary People's Court today sentenced to death twenty-two criminals who were found guilty of drug trafficking charges. Two of the criminals, Wang Xuexiang and Li Fulin (a national of Burma) were convicted of smuggling drugs in 1991, were caught in possession of 274 grams of heroin while peddling drugs in a Kunming school. After their arrest, a further 626 grams of heroin was recovered by the police. In a separate case, three criminals Tang Ming, Li Zhitian and Wu Chenggang were caught in possession of 10,630 grams of heroin while they were about to conduct a transaction on May 5, 1994. (Summary) (Beijing ZHONGGUO XINWEN SHE in English 1354 GMT 23 Jun 95)

**Science & Technology**

**Shandong Secretary Speaks on Science, Technology**  
*SK2906061795 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 28 Jun 95*

[FBIS Translated Excerpt] The provincial conference on science and technology was ceremoniously convened in the Nanjiao Guest House of Jinan on 28 June.

Attending yesterday morning's conference were leading comrades, including Zhao Zhihao, secretary of the provincial party committee; Li Chunting, deputy secretary of the provincial party committee and governor of the province; Li Wenquan and Han Xikai, deputy secretaries of the provincial party committee; Chen Jianguo and Song Fatang, deputy secretaries of the provincial party committee and vice governors of the province; Li Zhen, chairman of the provincial people's congress standing committee; and Lu Maozeng, chairman of the provincial Chinese People's Political Consultative Conference committee.

Li Chunting presided over the conference at which Zhao Zhihao delivered an important speech including the following six parts: 1) We should fully understand the position and role of science and technology in building modernizations. 2) We should further define the guiding ideology, goal, and tasks for the scientific and technological work. 3) We should continuously expedite the reform in scientific and technological systems. 4) We should vigorously bring up and train a large number of outstanding talented science and technology personnel. 5) We should adopt every possible means to increase the input in science and technology. 6) We should realistically enhance leadership over the scientific and technological work.

After citing the fact that the province has consecutively improved its economy to gradually higher levels thanks

to having applied science and technology, Zhao Zhihao stated: Although the province's scientific and technological work has achieved rapid development, it is not worthy of the progress made by the provinces with a large population; by the provinces with great economic strength; and by the coastal provinces opening to the outside world. The province still has a large gap in the work compared with the demands cropping up in the situation of developing socialist market economy. Prominent manifestations in this regard include the low rate in turning scientific and technological results into productive forces and in investing money in science and technology; the low output value scored by high tech industries; the small number of specialized technological personnel; and even the small number of talented personnel who know about technology, are able to conduct management over science and technology and to engage in scientific research, and are good at running scientific and technological business.

Zhao Zhihao pointed out: In the current and upcoming periods, units from top to bottom across the province should provide manpower and material resources to realistically and successfully turn the scientific and technological results into productive forces and to realistically and successfully grasp the three crucial links—including modernizing management, developing high technologies, and developing new technologies. Efforts should be made to continuously deepen reform in scientific and technological systems and to establish as soon as possible new-style scientific and technological systems and new-style mechanism of scientific and technological operation suitable to the market economy and conform with the law of scientific and technological self development. Currently, a good job should be done in emphatically grasping the two crucial links, including the readjustment of the structure of scientific and technological circles and the establishment or improvement of the mechanism of promoting the progress of enterprises. Efforts should be made to deal with the two prominent issues—including the interposition of science and technology to the economy and the acceptance of the economy for science and technology—so as to promote science and technology to more closely and effectively integrate them in the economy and to accelerate the unified progress among science, technology, and the economy.

Zhao Zhihao stressed: In enforcing the strategy of having science and technology make Shandong prosperous and in accelerating scientific and technological progress, it is very important for us to bring up and train a large number of talented science and technology personnel and to comprehensively upgrade the quality of the broad masses of laborers. This urges us to resolutely regard the

task of bringing up and training a large number of science and technology talented personnel as the strategic emphasis of the economy as well as scientific and technological work as a whole and to adopt every possible means to increase the input in science and technology. Efforts should be made to gradually establish fund-raising systems with multiple channels—including funds appropriated by financial departments, loans released by banks, funds raised by enterprises themselves, and idle funds raised from the society—as well as to establish the mechanism of input in science and technology, which is suitable to the systems of socialist market economy.

Finally, Zhao Zhihao pointed out: The key to whether the scientific and technological work can achieve rapid development lies with leadership. The first leading personnel of party and government organs at all levels should take personal charge of grasping the first productive force. The focal point in this regard should be placed on grasping leadership, plans, policies, investments, implementation, and inspection.

At the provincial conference on science and technology in yesterday's morning, Li Chunting, deputy secretary of the provincial party committee and governor of the province, also delivered an important speech. [passage omitted]

### Military & Public Security

#### Xinjiang Frontier Guards Start Helicopter Patrol

HK2806121095 Beijing JIEFANGJUN BAO  
in Chinese 15 Jun 95 p 1

[Dispatch by reporter Du Xianzhou (2629 3759 3166): "Helicopter Patrols—From Surface to Three-Dimensional"]

[FBIS Translated Text] Altay, 13 Jun [JIEFANGJUN BAO] — At 0955 today, with Dong Guoliang, commander of a frontier regiment, boarding with firm strides an M-17 helicopter, our Army made a historic step in frontier patrolling: From now on, our frontier guards will officially start using helicopters to conduct air patrols.

Before boarding the helicopter, Jia Maorong, head of the ground forces aviation department of the Xinjiang Military District, briefed this reporter: This measure, organized and carried out by the Xinjiang Military District, will complete air patrols of the China-Mongolia and China-Kazakhstan boundaries within the entire border of Xinjiang, with a flying distance exceeding 10,000 km.

At 0958, patrolling for the first time, the helicopter, which carried a contingent of frontier officers and men,



flew from a frontier regiment of the Altay military subdistrict and reached the China-Mongolia boundary. This reporter joined the patrol. In the cabin, the fully armed officers and men, with binoculars and cameras in hand, kept looking down at the boundary line from the window and carefully identified every single boundary marker.

As the cabin was very noisy, they could not but pass slips of paper when discussing the boundary situation. In spite of this, after looking at boundary marker No. 65, Han Lianqing, chief of staff of the military subdistrict, could not help pressing close to this reporter's ear and saying loudly: "This is the most splendid and proudest day of my life in frontier defense. All frontier officers and men will never forget this day. Having ridden horses for decades, I really wished to patrol with wings, a wish which has been finally fulfilled today."

Last year this reporter had ridden a yak to patrol with soldiers, personally experiencing the dangers and hardships of frontier guards patrolling on foot. Thus, I could fully understand the excitement of the frontier guards at that moment.

To enable the officers and men of the patrol to see boundary markers more clearly, special-class pilots Wang Daobin and Sun Gang lowered the helicopter to an ultra-low level of 100-200 meters from the ground, whizzing between mountain peaks with accumulated snow on both sides.

At 1255, the helicopter arrived at Altay airport after accomplishing its first patrol mission. It took only three hours to complete by air a patrol route which usually took one week.

After leaving the helicopter, Yuan Defu, frontier defense director of the Xinjiang Military District, commented: "Today marks the beginning of the advance of the patrol means of our frontier defense toward modernization, with boundary control changing from surface to three-dimensional."

**\*Stock System Interferes With Reserve Training**

**95CM0257A Beijing ZHONGGUO MINBING**  
**[CHINESE MILITIA] in Chinese 9 Mar 95 No 3, p 7**

[Article by Zhang Jiguang (1728 4949 0342): "What Is the Effect of the Stock System on the Training of Reserves?"]

[FBIS Translated Text] One of the trends in enterprise development has been to establish a modern enterprise system that implements "enterprise groups, stocks, and modernization." How has the stock system affected reserve training? We conducted a survey on this at the Dalian Refrigerator Joint Stock Corporation.

**The Status of Production Development After Implementing the Stock System**

The Dalian Refrigerator Stock Corporation has evolved from the Dalian Refrigerator Plant. On 10 October 1993, it began preparations for the joint stock system and the issuing of stocks. The joint stock enterprise has 1995 employees. The net value from the stock issue is 1.30525 billion yuan after deducting payments for related expenses, which rapidly expanded the production scale. It has entered joint ventures with Switzerland, Japan and Hong Kong, and has imported testing facilities and production lines from the United States, Japan, and Australia. The corporation's operations cover 57 product varieties, and more than 400 models of freezing equipment. Its products are sold in 32 countries and regions throughout the world. In 1993, it made a profit of 23.89 million yuan, fulfilling 106 percent of that year's plan. In its distribution of after-tax profits in 1993, both state and private shareholders received and extra half share for each 10 held; this was met by issuing 1.5 yuan in cash; for public shares, each 10 shares held received an extra two.

**A New Situation For Reserve Training**

1. *The concept of national defense has grown weaker as the concept of economic efficiency has grown stronger.* Enterprises which practice the joint stock system have further aroused their employees' enthusiasm for production, strengthened the status of their bosses, and closely associated employees' work with the fate of the enterprise. Therefore, many employees are concerned only with economic efficiency and increasing their individual income; this has weakened their concept of national defense, as they look upon the training as a "burden". In the survey questionnaire, only 2 percent of the respondents are of the opinion that participation in military training can strengthen the concept of national defense. This erroneous thinking seriously affects the conduct of training work.

2. *The competition between production and training for "soldiers" has become a prominent contradiction.* The goal of an enterprise is to improve and strengthen efficiency, maximize every employee's enthusiasm for work and make the biggest profit. Therefore, cutting institutional staff and manning the first line of production has become an important way for enterprises to improve efficiency. Establishing fixed positions and staff size, in the manner of "one hole for one carrot," has made it difficult to fill the positions for the training of reserves; thus the phenomenon of training that competes with production for "soldiers" has appeared.

3. *Enterprises improve their efficiency and income as participation in training is reduced.* Enterprise effi-

ciency improved significantly after introducing the joint stock system, while participation in training resulted in a comparable reduction in employee income. The corporation's employees earn on average about 6,000 yuan annually; because participation in military training reduces an employee's income by about 100 yuan a month, 60 percent of the survey respondents believed that the training reduced their bonuses, affecting participants' direct benefits.

### Some Thoughts On Strengthening Reserve Training

In 1995, the state will continue to implement the principle of "enthusiastically setting trial sites, with strict regulation, stable progress and healthy development;" therefore, it is urgent that we study the developmental situation of the joint stock enterprises, and adopt new methods in the training of reserves.

1. *Strengthen concepts and correct positions.* First, we need to strengthen the concept of national defense. History has proved time and again that the national defense concept is a spiritual support linked both to national security and national development. Comrade Jiang Zemin has given special emphasis to spreading the word that building the nation's defenses is of particular significance in a peaceful environment, that we must overcome the idea that we can lower our guard in peacetime, and that we must strengthen the people's concept of national defense. Second, we need to strengthen the legal concept. Seven agencies, including the Headquarters of the General Staff, the General Political Department, the State Commission for Restructuring the Economy, the Ministry of Foreign Trade and Economic Cooperation, the Ministry of Personnel and the Ministry of Labor, have stressed, in the "Provisions Regarding Civil Reserves Working In Enterprises," that "enterprises must fulfill their civil reserve obligations in accordance with the nation's laws and legal provisions." Therefore, it is a national mission for enterprises to undertake civil reservist training; it is their duty to the country. Third, we need to establish the concept of dialectical unity. Comrade Jiang Zemin used the vivid metaphor of "a factory needs doorkeepers, a country needs defense" for the first time, to clearly and simply explain why economic construction has to support national defense; and why national defense construction is the safeguard for economic construction; it is the physical foundation of economic construction.

2. *Promote a recognition of law and legal procedures;* conduct training in accordance with the law. We must rely on "authority" rather than operating through "connections," "affections," and and those who are "easy to get along with." Therefore, building a better sense of the law and legal procedures will resolve many diffi-

cult problems smoothly. At present, as we follow the existing legal system, we urgently need to abide by local legal procedure to conduct training; only in this way will we bring the training of reserves onto the correct development track.

3. *Upgrade methods appropriate to the situation.* Implementing the joint stock system in enterprises has presented new contradictions and difficulties in the training of reserves; but it has also provided new opportunities for that training, and for raising the requirements. We must pursue fulfillment in appropriate enterprises. There are many frontline staff in joint stock enterprises with fixed positions, duties, and staff size; in order to resolve the problem of both training and production competing for "soldiers," we could increase the number of enterprises that participate in training with the prerequisite that none has fewer participants, and thus reduce the number of participants from each enterprise; we might increase training time during the slow production season while reducing it during the busy season. We could also increase the number of trainees specializing in radar and instrumentation, and reduce the number specializing in artillery. Try to certify all trainees as reservists so that enterprises will accept the fact that military training must also be addressed. In accord with a pattern where more work units participate, but with fewer participants, we should be able to guarantee more uniform training, equipment, and facilities, and build up the reserve training center into a fully functioning one.

\*Nanjing MR Political Commissar Fang Zuqi Profiled

95CM0299A Hong Kong KUANG-CHIAO CHING  
[WIDE ANGLE] in Chinese 16 May 95  
No 272, pp 72-73

[Article by Liu Ziping (0491 1311 5493): "Nanjing Military Region Political Commissar Fang Zuqi (2455 4371 1477)"]

[FBIS Translated Text] There have been some changes again in the arrangement of senior high-ranking military officers in the Chinese Communist Party. General Lei Mingqiu [7191 7686 3808], once reportedly to be a candidate for military commander stationed in Hong Kong, has been recently transferred to be deputy political commissar of Nanjing Military Region [MR]. The political commissar of Nanjing Military Region is Lieutenant General Fang Zuqi. His life experience has been rarely known.

### Fang Zuqi's Life Has Not Been Disclosed So Far

In December 1993, Fang Zuqi succeeded Lin Anyuan [0491 1344 0337] to be the political commissar of Nan-

jiang Military Region. For more than one year, disclosure of his life experience has not been noted in either China's or the foreign press. Actually, in the authoritative personnel reference books of the Communist Party of China Dictionary of Chinese Names (Volume on current party, state, and military leaders) and the Military Dictionary, an entry related to his life is unavailable. Based on reliable information, the author of this article would like to provide a detailed introduction to the life experience of Fang Zuqi.

#### **At the Age of 16 He Joined the Armored Forces**

Fang Zuqi was born in October 1935 in the county of Jingjiang, Jiangsu Province. Located on the northern bank of the Yangtze River, Jingjiang was established as a county during the Ming Dynasty. Now, it is under the administration of Yangzhou city.

Fang Zuqi started his military career in August 1951. At that time, the less-than-sixteen-year-old Fang joined the newly established armored force of the People's Liberation Army (PLA). He also entered the Korean battlefields and endured the test of fierce fighting.

#### **Excellent Performance in Fighting During the Korean War**

After the start of the Korean War, from March to May 1951, the Volunteer Armored Force, which consisted of the Third Tank Division of the PLA and its four tank regiments, entered the Korean battlefields and participated in the Fifth Operation. In June 1952, the Military Commission of the Chinese Communist Party decided that the Third Tank Division [Division Commander Sun San (1327 0005) and Political Commissar Li Zhizhou (2621 3112 3166)], of which Fang Zuqi was a member, was to be replaced by the First Tank Division. (At the beginning of 1953, the Third Tank Division entered Korea again to undertake defense on the west coast. On October 2, 1953, the fifth regiment of the Third Tank Division used 8 medium-sized tanks, 4 heavy-duty tanks, and support army No. 582 regiment (belonging to the 65th Army) to launch an operation against enemies in the northern mountain area of Sichangli, southeast of the town and Height 67. In concert with the army, they crushed many charges launched by the enemy army and tanks. After five days and nights of fighting, a total of 1,650 enemy were wiped out and 9 enemy tanks were destroyed. In June 1953, in the Jincheng operation, regiment four of the Third Tank Division joined Infantry Division 67 (under Army 23) and launched a counter-attack against enemies in the northern mountain of Dadong with 24 tanks engaged in the action. After one day and one night, they had continually fought in

eleven operations in which they destroyed 14 enemy tanks and damaged 4 others.

#### **Having Fought in 246 Operations and Destroyed 40 U.S. and Korean Tanks**

In the Korean War, the tank troops of the volunteers had altogether two tank divisions, the greater part of one tank division, and eight regiments which took part in the war. They fought in 246 operations, destroyed 40 enemy tanks and damaged 34, destroyed or damaged 20 enemy cannons, and destroyed 846 enemy bunker defense works. The antiaircraft gun team of the tank troops downed 109 enemy planes and damaged 460.

After the Korean War was stopped, the Third Tank Division of the Volunteer's Armored Force continued to be stationed locally for defenses purposes until May 1954.

In May 1954, the Third Tank Division followed an order to return to China and joined the armored troops of the Northeast Military Region (after March 1955 it was changed to Shenyang Military Region). Zhao Jie [6392 2638] of the original Third Tank Division became the commander of the armored force of Shenyang Military Region (in September 1955 he was granted the title of major general); and Division Chief Sun San [1327 0005] became the head of the technology department of the PLA armored force (in September 1955 he also was granted the title of major general). At this time, the newly appointed commander of the Third Tank Division was Wang Chao [3769 6389] from the Third Field Operations Army, and the political commissar of the division was Yang Kunshan [2799 2492 1472], the former deputy political commissar. Both of them were granted the title of senior colonel in September 1955.

#### **In 1985 He Was Promoted to Political Commissar of Shenyang Military Region**

Returning to China together with the Third Tank Division, Fang Zuqi became a confidentiality inspection assistant in the commander's office in charge of confidential or important work; assistant in the cadre promotion and removal department of the armored force; assistant in the cadre section of the division's political department; chief of the organization section and secretariat of the division's political department; and deputy political commissar of a regiment. Afterwards, he was transferred to the political department of Shenyang Military Region and worked there for years, where he held several positions such as deputy chief of the cadre section of the Military Region's political department, and deputy director of the department. He was also the secretary general of the Military Region's political department, director of the Military Region's organization de-



partment, deputy director of the political department and director of the cadre department. Since 1985, he has been the political commissar of Shenyang Military Region.

#### **In 1988 He Was Granted Title of Major General**

In September 1988, the Chinese Communist Party reinstated the military title system and Fang Zuqi was granted the title of major general.

#### **After the "June 4th" He Was Transferred to Guangzhou Military Region Where He Was Director of the Political Department**

In the wake of the "June 4th" incident, the Central Military Commission launched a major readjustment in the high-ranking officers of the PLA. The leadership of Guangzhou Military Region was also the target of readjustment. Commander Zhang Wannian [1728 8001 1628] of Guangzhou Military Region was transferred and re-appointed as the commander of Ji'nan Military Region. Deputy Commander Zhu Dunfa [2612 2415 3127] of Shenyang Military Region was promoted to be commander of Guangzhou Military Region; Deputy Commander Liu Cunzhi [0491 1317 2535] of Guangzhou Military Region retired and Deputy Commander Li Xinliang [2621 2450 5328] remained. Chief of Staff Li Xilin [2621 1585 2651] was promoted to be the first deputy commander; and Commander Chen Xianhua [7115 7359 5478] of the Group Army 42 was promoted to be the chief of staff; Deputy Political Commissar Zhang Xudeng [1728 1645 4098] retired, and Deputy Political Commissar Liu Xinzeng [0491 2450 1073] of Lanzhou Military Region succeeded him. The director of the political department of Guangzhou Military Region, Gao Tianzheng [7559 1131 2973], became the deputy political commissar of the Military Region. Fang Zuqi was transferred from Shenyang Military Region to Guangzhou Military Region and promoted to director of the political department.

After the "Fourteenth National Congress" of the Chinese Communist Party, in November 1992, the newly organized Central Military Commission of the Chinese Communist Party once again readjusted the three headquarters of the PLA and every other major unit. The leadership of the Beijing Military Region was among those being readjusted. The political commissar of Chengdu Military Region, Gu Shanqing [6253 0810 1987], was transferred to be the political commissar of Beijing Military Region. The deputy commander of Ji'nan Military Region, Zhang Zhijian [1728 1807 1017], was transferred to become the deputy commander of Beijing Military Region and the commander of the Beijing Garrison Command. the deputy commander of the Chengdu Mil-

itary Region, Jiang Hongquan [1203 3163 3123], was transferred to become the deputy commander of the Beijing Military Region; and Fang Zuqi was transferred to become director of the political department of the Beijing Military Region.

In July 1993, Fang Zuqi was promoted to be lieutenant general. In December of the same year, he was promoted to be the political commissar of Nanjing Military Region. Military observers believe that in the following years the 60-year-old Fang Zuqi has a probability to be further promoted in the military.

#### **\*Xinjiang Militia Reportedly Guards Railroads**

95CM0294A *Beijing GUOFANG [NATIONAL DEFENSE] in Chinese 15 Apr 95 No 4, pp 23-24*

[Article by Wang Jinguo (3769 6855 0948) and special contracted reporter Pan Anming (3382 1344 2494): "Xinjiang—Expanding the Launching of Joint Militia Defense on Railroads"]

[FBIS Translated Text] In February 1994, Premier Li Peng pointed out: "Militia railroad protection and participation in public security joint defense has been a successful experience."

On 12 August 1994, Zhang Wannian, chief of the General Staff, after learning about the experience of the 143d Regiment of the 8th Division of the Xinjiang Production Development Corps Rural Militia serving as railroad guards, pointed out: "This is a model for joint defense railroad guard work of militia throughout the country"

From 27 through 30 August 1994, the central government's General Administration for Public Security, the Ministry of Railways, Ministry of Public Security, and the General Mobilization Department held a national railroad joint defense conference at Urumqi to exchange experiences and expand on the Xinjiang experience.

Why do Xinjiang people of every nationality put so much of themselves into joint railroad defense? In the golden autumn of August 1994, we sought answers on the Xinjiang railroad line.

The railroad is a major artery of the national economy and national defense.

The Xinjiang railroad is the lifeline of Xinjiang's stability and development. But the Xinjiang railroad, this lifeline that runs through the Asian and European mainland, today not only operates highly overloaded, but also often incurs serious injury and threats. According to statistics, from 1992 through the first half of 1993, in the territory under the jurisdiction of the Urumqi Railroad Bureau,

2,987 cases of various types occurred, including dismantling and stealing railroad equipment, shipping materials illegally, destroying railroad installations, cutting and stealing communications lines, setting up obstructions, and carrying the "three kinds of products." There were 364 people killed or injured and economic losses reached several tens of millions of yuan. Even worse, some criminal elements conducted robberies openly and brazenly, terrifying travelers and seriously affecting the safety, unimpeded running, and economic development of Xinjiang railroads.

In the last few years, the railroad and other departments have adopted numerous measures to severely combat the criminal elements endangering railroad safety, but ultimately because there are too many points, the line is long, and the police force inadequate, railroad security is still very grim. Maintaining railroad safety has become an important link in maintaining Xinjiang's stability and ensuring its reform and opening up and economic development.

In June 1993, the central government's General Administration for Public Security convened a joint militia railroad defense conference in Guiyang. This conference clearly determined the direction for the railroad security issue—joint militia defense of the railroads. Song Hanliang, autonomous regional party secretary, clearly pointed out: "Initiating joint militia defense of the railroad is related to Xinjiang's development and stability and must elicit a great deal of attention; we must put forth a great deal of effort to handle it well." Comrade Wang Lequan, autonomous regional vice chairman, is personally taking on leadership of the group. Xinjiang Military District Commander Fu Bingyao and Political Commissar Pan Zhaomin firmly indicated: "We are not particular about conditions and we are not particular about price. If you want people, we will give you people. If you want firearms, we will give you firearms. Even if it is difficult we will go ahead and do it." The autonomous regional General Security Commission formulated the working policy for protecting the railroads: "Grasp the key points, protect the whole line; first get on the points, then perfect the work." In July of the same year, the autonomous region established a special work organization, and in August it and the Xinjiang Military District issued an order to organize militia duty on the railroad, and within a short twenty days, the eight military subdistricts along the railroad line quickly organized the first group of 366 militia on the railroad, rushing to 28 duty points in southern, northern, and eastern Xinjiang, and raising the curtain on militia railroad-protection duty.

The vast Gobi wind-blown sands, boundless cold mountains, and snowy mountain ranges make up this tough

western border region. Xinjiang's more than 2,100 km of railroad lines pass through the Gobi Desert, the fiery continental basin, the one-hundred-li windy region, the thirty-li wind gap, and high cold mountain regions. Right after the militia got on the railroad, some said that the militia were not regular forces, and it would not take long before they would run away on their own. But militia from various nationalities, with steadfast conviction and having screwed up their steel will, are firmly riveted to the iron tracks, keeping this major artery open and destroying some people's predictions.

"The Daban City girl has a long braid and two truly beautiful eyes." The famous composer, Wang Luobin, brought Daban City to the world with this song. But in reality Daban City is a famous mountain pass and wind gap. On this duty every day the militia must patrol for eight hours or more in heavy wind, walking 24 km. One year of duty is equivalent to walking from Urumqi to Guangzhou and then walking back from Guangzhou to Urumqi. A pair of military boots does not last a winter.

"In a May Tianshan snow there are no flakes, just cold." This is an authentic portrayal of the environment at the over 6,000 meter-long Kuixian Tunnel more than 4,000 meters above sea-level in the depths of Tianshan. The average annual temperature here is below zero and there is only two-thirds of the oxygen of the flat lands. In the lives of the militia protecting the railroad, besides the steam whistle of the trains flying by, there are only seven months of accumulated snow and the loneliness of the unending year-around watch. In this "lifeless place," guarding such a holy and pure sky road cut off from the world, they have a heart-to-heart talk with every train, an exchange with every train light, and pour out their hearts to each section of rail. They are like solid road signs standing tall on the ice-sealed snow-frozen mountain built into a mighty towering sentry post.

"The fire fills the congealed sky without an opening. The thousand-li flying bird does not dare to come." This is a description of the hard-to-bear, oppressive heat of Turpan. The militia who guard the western Hongliu River Bridge railroad, do so in this "fiery continent" 154 meters below sea-level. At the height of summer, the heat here is hard to imagine. Fresh meat that they go up to the market 22 km away to buy, when they carry it back takes on an odor. Watches change every one or two hours, but the bodies of every member of the militia are already damp when they come off watch.

Since the Xinjiang militia has been guarding the railroad and conscientiously carrying out its duties, guards have seized 21 kg of explosives, 23 detonators, and one detonation device; prevented ten major vehicle accidents and public security mishaps; investigated 6,426 drifters

for blocking the trains; discovered 386 cases of cutting and stealing communications lines and railroad equipment and destroying railroad installations and 58 criminal gangs destroying and stealing railroad equipment, transporting materials, and robbing passengers; seized 467 train robbers; confiscated loot valued at 660,000 yuan; captured more than 40 tons of railroad equipment; and essentially stopped the cutting and stealing of railroad communications equipment, throwing rocks at trains, and plundering transported materials. At the same time, they allowed the Urumqi Railroad Bureau on 15 June 1994 to reach 1,000 days of safe production, placing it first among the country's twelve railroad bureaus for safety. The militia protecting the railroad are considered a liberation army without uniforms and the guardians of railroad safety by the public of all nationalities.

The northern suburbs of Urumqi are a belt of concentrated population with more than 150,000 residents. The important Urumqi energy base is also there, and two railroad lines traverse it with a total of four unguarded crossings. Because vehicles and pedestrians are constant, there are frequent train accidents. In 1993 alone, there were 21 serious train and motorized vehicle collisions with 21 people killed or injured, four railroad cars damaged, five automobiles totaled, and more than 550,000 yuan in direct economic losses. The public reacted very strongly to this, and by a resolution in the People's Congress aroused serious concern from leaders at every level. At the beginning of April 1994, the autonomous region and the Xinjiang Military District decided to organize the local militia to guard railroad crossings. On 11 April 1994, when the first group of 14 militia came on duty at crossings with red silk draped over their shoulders and flowers pinned to their breasts, the public of every nationality lined the way to welcome them. Since the militiamen have been on duty, they have dissuaded more than 200 people from delaying on the tracks, assisted in clearing away four disabled vehicles, and removed accident dangers. When people and vehicles pass there is no longer any reason to be on tenterhooks.

When the militia first guarded the railroads, some people were worried whether they would be able to persist. More than a year has passed, and the militia guarding the railroad have answered that best with their own actual practice.

Holding up the silver rails stretching endlessly and the long steel dragons passing day and night are little ordinary stones on the roadbed. These little stones record the ordinary made immortal and refined by the elegant style of the militia warriors guarding the railroad.

**Theme: Militia National Defense Transportation [Xinjiang] [sentence as published]**

**\*Article Compares Aircraft Carrier Launch Modes 95CM0186A Beijing JIANCHUAN ZHISHI [NAVAL AND MERCHANT SHIPS] in Chinese 8 Feb 95 No 2, pp 16-17**

[Article by Jiang Duting (5592 6757 1656): "Free Commentary on Naval Equipment—Ski-Jump' Decks Will Replace Catapult-Ejection Decks"]

[FBIS Translated Excerpt] When discussing aircraft carriers people will naturally think of large aircraft carriers, such as the Nimitz-class carriers.

On a more careful observation, however, one will find that all carriers of the U.S. Navy rely on the catapult-method of launching aircraft, and their angled decks have attracted much general attention. But why is it that the aircraft carriers of Britain and of the former Soviet Union did not go in for the catapult-method of launching planes? Was it that their technology was not up to it? In the opinion of one of our experts of aeronautics, "ski-jump" decks will in future replace catapult-equipped decks, and this will be the fourth phase in the development of aircraft carrier decks.

#### **The Phase of "Ski-Jump" Decks With Uprturned Forward Ends of the Flight Deck**

In all things there is always the phenomenon of "one divides into two," and the matter of the catapult-launch of planes is no exception. It solves the problem of getting the aircraft into the air, propelled by an external force, over an extremely short distance (less than 100 meters), but it has also several drawbacks. These are, briefly said, serious impediments for both the aircraft and for the carrier; the system has disadvantages for both, and it had been adopted when there was no other alternative.

First, it seriously impedes the performance of the aircraft. In order to achieve a catapult launch, an external force has to be applied that is three to four times that of the weight of the aircraft; the structure of the aircraft and of the engine providing the motive force, as well as all pertinent equipment and systems, have to be greatly strengthened, which, as one consequence, markedly increases the weight of the plane. For instance, the take-off weight of the American land-based F-18L fighter is normally almost 3,000 kg less than the carrier-based F-18A, it requires up to 1,300 kg less fuel, and although its performance is equal to that of the F-18A, the agility and capability in air combat of the F-18L is much superior. [sentence as published] One of the main



reasons is precisely that the F-18A is fitted as a catapult-launched plane. The price of the F-18A is of course also much higher than that of the F-18L. Pointing this out is of great significance because space on carriers is limited, and the number of aircraft they can accommodate is, to start with, not large. In order to simultaneously take on such tasks as air, sea, land, and antisubmarine combat, as well as reconnaissance, early warning, electronic countermeasures, mid-air refueling, rescue missions, etc., the carrier must accommodate at the same time many different types of aircraft and helicopters. This reduces the number of each type of aircraft, so that victory through superior numbers of aircraft is not very probable. To ensure combat efficiency and to avoid overly large losses, the requirement is, therefore, for the highest possible capacity of the planes on the carrier (especially fighter planes). Otherwise, opposition by a large hostile fleet of advanced land-based planes will make it impossible to gain air superiority and superiority over the sea, and a heavy price would have to be paid in this situation. In particular, the side whose planes are obviously technically less advanced must pay special attention to not blindly using any type of technical equipment serving the carrier-based planes that could seriously impede the performance of the planes, and that means that if there is any alternative, one should certainly not adopt the catapult-launch method.

Second, catapult machinery is structurally very complicated, heavy, and very troublesome to manufacture, install, test, and maintain. In actual operations, it consumes large amounts of steam. Once hit by enemy fire, it cannot be repaired in a short time. Furthermore, manufacture of the catapult machinery consumes much material and requires large-scale manufacturing facilities. One may well say that this makes it impossible for developing countries to adopt this system (for instance, all of the aircraft carriers of India and Thailand do not use the catapult-launch method), and even some medium-rank developed countries find the system difficult to adopt (Britain, Italy, Spain, and the nations of the former Soviet Union do not use catapult-launch on their aircraft carriers). This means that in considering this particular issue one must not disregard the special realities in the national conditions of each country concerned.

Other than by catapult, how can planes be launched from carriers? It can be done by having the forward deck of the carrier slant upwards. The honor of having come up with this invention belongs, of course, to a British engineer, and it is said that the inventor received a reward of 10,000 pounds sterling, which he truly deserved. This "springboard" is really a brilliant idea. It not only enables planes to take off safely over a short distance, it also does not usually require that planes

be modified in order to be launched from a carrier. As a consequence, the plane preserves all its excellent combat capabilities, and aircraft carriers also do not need installations of burdensome catapult machinery. This idea spells liberation for both the planes and the carriers; it is truly something that is good for both.

The first to use the "ski-jump" method for launching planes from aircraft carriers was Britain, namely for its vertical/short takeoff and landing [V/STOL] planes of the "Sea Harrier" class. Later, Italy, Spain, India, and Thailand copied the system for their aircraft carriers, also using "Harrier" type planes. Is it then also possible to use the "ski-jump" system for ordinary planes? The answer is definitely in the affirmative. The U.S. Navy has already, in the early years of the 1980's, conducted successful experiments on land with its F-14, F/A-18, and S-3 planes. The former Soviet Union had used Su-27, MiG-29 and Su-25 and Su-27 (tandem double-seater) aircraft on its "Kuznetsov" aircraft carrier, using landing and "ski-jump" takeoffs. These did not remain experiments, the Su-27K (carrier-based) was mass-produced and issued to units stationed on the "Kuznetsov." Presently, only the United States and France still maintain the catapult-ejection system on their aircraft carriers, while the "springboard" system is widely in use and has become an unstoppable trend.

As any new invention will unavoidably have its twists and turns, some who prefer the catapult system have voiced various concerns about the "ski-jump" system. Some think that it was only because the former Soviet Union was unable to manufacture the catapult system, that they used the "ski-jump" system. However, the Soviet Union had 200,000-ton hydraulic presses (the largest in the United States and in France were only 70,000-ton presses), it had the world's top welding technology, and also did not lack cutting and shaping machinery, so that manufacturing catapult machinery would have been no problem; what it did not yet have at that time was merely prior experience. After catapult machinery had been manufactured elsewhere, the Soviet Union specially undertook tests at a special testing plant near the city of Saki in the Crimea, and only after these tests decided on the "ski-jump" system.

Others believe that the catapult system is superior to the "ski-jump" system because it allows four catapult machines to be installed on a superheavy aircraft carrier, which would then allow four planes to be launched at the same time, while the "ski-jump" system would allow only one or two planes to get off at the same time. However, these people do not realize that sending off planes by the catapult system requires personnel to hook on the planes (i.e., to hook the planes onto the catapult machinery), to remove the wheel chocks, and

to raise and lower the anti-slip plates at the end of the planes. All this is not necessary with the "ski-jump" system, and, furthermore, after the plane has lifted off of the carrier, the guide cable has to be retrieved, and the piston has to be returned to the original position. All this takes a certain time and delays the second ejection, while with the "ski-jump" system the planes can leave continuously one after the other. Over a certain length of time, the planes launched by the "ski-jump" method will not necessarily be less than those ejected by catapults. Even if there should be somewhat fewer planes by the "ski-jump" method, their combat capability, due to their better performance, will not necessarily be less than that of a somewhat superior number of catapult-ejected planes, and may even surpass that of the catapult-ejected planes. Others also think that since the catapult-launched planes are forced to run along a track, this ensures that no deviation or other dangerous situations can occur during takeoff; that is true. But they disregard the other fact that using the "ski-jump" method, the aviator will not, as in the case of the catapult-ejected aviator, be completely without control of his plane, or even at that time lose consciousness, but will rather be able at all times to directly see the lines of the runway and control his plane. It is therefore also absolutely safe. Britain, India, Italy, and Spain, who use the "ski-jump" system on their aircraft carriers, have so far never had any accidents during plane takeoffs; also mention should be made of the perfect safety that was experienced during the actual fighting at the Falklands. On the other hand, there have been quite a few accidents with the catapult-ejection system.

When launching planes by the "ski-jump" system, the fairly large-degree of the upturn of the forward end of the flight deck will ensure that the plane on takeoff, even at lowest level, will always be within the limits of absolute safety, whatever the degree of longitudinal movement (state) of the carrier. But when the plane takes off by the catapult-ejection system and the stem of the vessel tilts down to a certain degree, the takeoff at the lowest level will have the plane well within the danger zone, i.e., it will really not be able to take off.

Obviously, if two aircraft carrier groups are operating in the same area of the ocean (with equal conditions of the sea and rolling equally in heavy seas), the carrier with the "ski-jump" system would then, during the same space of time, possibly be able to send up more planes than the carrier operating a catapult-launch system, and thus show greater combat strength.

We must also point out that when being ejected by catapult, the aviator is subjected each time to four to five G's of longitudinal overload, which not only increases the weight of the plane, but also exceeds the long-term biological tolerance of the aviator, which is very bad for his health; this problem does not exist with the "ski-jump" method of takeoff.

Some people also think that the "ski-jump" takeoff is unacceptable because planes require a longer runway, and even much longer in very hot weather. This must be analyzed specifically in the case of each of the different planes. Planes that require excessively long runways do not belong on aircraft carriers. Planes selected for use on carriers may institute such measures as increasing the thrust and takeoff force, in order to reduce the required length of runway to acceptable dimensions. If the thrust of the engine declines in very hot weather, the problem could be solved by increasing the speed of the carrier, or spraying the motor with water, or by other technical methods.

Furthermore, if fighters can take off by the "ski-jump" methods, can early warning planes do it too? Analytical calculations have revealed that there is no reason for any concern in this respect. Russia has decided to use heavy, 40-ton Yak-44 transport planes and antisubmarine planes as early warning planes on aircraft carriers, and that fact should clarify this point.

All the above shows that the "ski-jump" system of launching planes must be acknowledged as obviously superior to the catapult-launch system. With further continued technological developments, it will ultimately replace the catapult-launch method of launching planes from aircraft carriers.

### General

#### **Qian Qichen Urges Development of Tourism**

OW2806170495 Beijing XINHUA in English  
1426 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Tourism has seen a rapid expansion in China in a rather short period of time, and efforts should be made to encourage it more, Vice-Premier and Foreign Minister Qian Qichen said here today.

Speaking at a symposium marking the 15th anniversary of the China Youth Travel Service (CYTS), one of China's three largest travel services, Qian said that promoting tourism is certainly in line with the country's reforms and opening-up policy.

According to him, the country's travel services should improve the four areas of tourist safety, service quality, charges, and company spirit, as part of efforts to attract more domestic and overseas tourists.

Qian also praised CYTS as the most active travel service in China. It was founded in 1988, and now has 56 branches nationwide.

With more than 10,000 employees and more than 3,000 tour guides, the group has business relations with nearly 100 countries and regions, and has handled more than three million overseas tourists during the past 15 years, with foreign currency earnings reaching more than one billion US dollars.

#### **Wu Bangguo on Improving Enterprise Management**

HK2906053895 Beijing RENMIN RIBAO in Chinese  
26 Mar 95 p 2

[Excerpt of speech by Wu Bangguo (0702 6721 0948) at the National Conference on Managerial Work on 22 Feb 95: "Deepen Reform and Strengthen Management To Concentrate Efforts on Enhancing Quality and Efficiency of Economic Growth"]

[FBIS Translated Text] To deepen reform, strengthen management, and concentrate efforts on enhancing quality and efficiency of economic growth is the main task for large and medium-size state-owned enterprises today and for some time to come. The central topic of this conference (referring to the national conference on enterprise managerial work convoked by the State Economic and Trade Commission) is strengthening enterprise management, and the conference has done a good job. It is believed that the conference under way will surely promote enterprise managerial work across the country to mount a relatively higher plane and create a new situation in enterprise managerial work.

#### **Strengthening Enterprise Management Is the Basis of All Enterprise Work as Well as an Important Content of Deepening Enterprise Reform**

The central economic work conference was important; it has correctly analyzed the current economic situation and made explicit the guiding principle and main tasks for economic work in 1995. At the national conference on economic and trade work last year, I laid emphasis on three issues to implement the spirit of the central economic work conference by linking to the situation and tasks of the economic and trade system, namely, first, the issue of halting inflation; second, the issue of improving the quality and efficiency of economic growth; and third, the issue of deepening economic restructuring with state-owned enterprises as the key. All three issues have a bearing on strengthening and improving the enterprise's internal managerial work, and strengthening enterprise managerial work is an important essence in implementing the spirit of the central economic work conference.

The greatest mass concern today remains inflation; analysis of the deep-layer causes for inflation shows that it is related to failure in implementing enterprise reform, poor enterprise operation and management, and low enterprise efficiency. Some enterprises have low efficiency; unable to digest increased cost resulting from price reform, they could only resort to raising their product prices, which eventually pushed inflation; some enterprises suffer serious overstocking, which takes up voluminous funds, and forces greater input in money supply; hence the shaping into a mechanism of reverse pressure [dao bi ji zhi 0227 6656 2623 0455]; other enterprises do not possess a complete and prefect restriction mechanism and have failed to control consumption funds in accordance with the "two lowers" as the state stipulated, but arbitrarily issued wages and bonuses, which led to excessive growth in consumption funds and triggered inflation; still other enterprises arbitrarily expanded their scope with repetition in construction projects, pursuing complete large or small enterprises alike, paying no attention to efficiency in making investment in fixed assets, and failing to provide effective supply, thus directly pushing inflation. Aside from the guiding thinking in enterprise economic work, the surfacing of those phenomena has also reflected the problems in enterprise management from a certain aspect; therefore, it is not convincing to say that inflation has nothing to do with enterprises' poor operation and management.

Presently, a conspicuous issue facing the bulk of our enterprises is the low quality and efficiency of economic growth; the majority of enterprises have not basically eliminated the pattern of extensive operation, which



finds focal expression in: First, their product mix does not meet market demand; they are capable of turning out products that are not marketable and are incapable of switching to manufacturing other marketable products. Second, low labor productivity. Third, low content in science and technological progress, and low added value of products. And fourth, high consumption of materials and energy. All these are related to enterprise management. Backward and lax enterprise management is the major cause of waste and low efficiency. At the central economic work conference, Comrade Jiang Zemin pointed out that it is necessary to improve the efficiency of the optimal structure, scale of operation, and progress in science and technology of the Chinese economy; however, it is imperative for us to have a sober understanding that without scientific management, the surfacing of the efficiency of optimal structure, scale of operation, and progress in science and technology would be impossible, nor would it be possible to push the conversion from extensive to intensive operation in the main in economic growth.

Enterprise management is the basis of all enterprise work as well as an important content of enterprise reform. The Third Plenary Session of the 14th CPC Central Committee has made explicit that setting up modern enterprise system is the orientation and goal of state-owned enterprise reform, whereas an important content of the modern enterprise system is precisely the science of management. Enterprise reform and enterprise management supplement each other, being mutually conditional; they have internal organic links as well as differences, and cannot replace each other. The establishment of complete, perfect, and scientific management is the basis of all work of the enterprise as well as the major content of enterprise reform; mechanisms independent of management do not exist, and vice versa. The fruit of reform must be standardized and consolidated on the strength of management, whereas the foundation of management is the necessary condition for the enterprise's in-depth reform. In a nutshell, to deepen enterprise reform to build the modern enterprise system, it is precisely necessary to promote enterprises to improve their operational and managerial level as well as economic returns, and change from the mind-set of acting on the government's demand to acting on one's own in managerial work. Reform provides augmenting management with new essence, sets out new requirements, and enables enterprises to augment and improve internal management. Implementing autonomy as stipulated in the "Regulations for Changing the Operating Mechanisms of Industrial Enterprises Owned by the Whole People" and building a modern enterprise system calls for reform, improvement, completion, perfection, and elevation of past managerial methods and institutions as

well as managerial methods and skills to form a broad-ranging new type of managerial system to guarantee the normal operation of the new operational mechanism and give full play to its role.

Central leading comrades attach great importance to augmenting enterprise managerial work, not just generally so but by placing emphasis on the importance of augmenting enterprise management form the plane of implementing the spirit of the central economic work conference, reinvigorating the entire national economy to get rid of the difficulties of large and medium-sized state-owned enterprises today. At the Fourth Plenary Session of the 14th CPC Central Committee, Comrade Jiang Zemin emphasized three points in deepening enterprise reform, namely: first, separation of government and enterprises; second, augmenting enterprise internal operation and management; and third, completing and perfecting the social insurance system. Augmenting enterprise management is one of the three points he emphasized. Last December when Comrade Jiang Zemin inspected Tianjin, he placed stress on the issue of enterprise management again, and said: "Augmenting scientific management is the major principle for the enterprise to provide basic solutions to problems and strengthen the foundation"; "as long as managerial reform is implemented, even enterprises in the greatest difficulty may tap a good deal of potential and acquire efficiency through management"; and he explicitly set forth, "we must keep improving and meticulously do a good job of management in production, operation, quality, cost, technological equipment, and contingent." Comrade Li Peng said, "It is imperative to exert great efforts to augment enterprise management. Presently, the condition of quite a number of enterprises with weak management and which are on a downward slide must rouse our serious attention." During his inspection tour of Shenyang last year, Comrade Li Peng stressed that the most important point that accounts for a good enterprise is scientific management. In a nutshell, we must link deepening enterprise reform and augmenting enterprise internal management in an organic way, developing them synchronously to seek efficiency through management with reform as an impetus. The reason why it was very good for the State Economic and Trade Commission to conduct "converting mechanism, grasping management, practicing internal skill, and improving efficiency" activities last year is precisely that it has proceeded from the actual conditions of enterprises today and grasped the internal relationships among "converting, grasping, practicing, and improving." Conversion of the operational mechanism is done on the basis of the modern enterprise system, and the "conversion of mechanism" must be linked to "grasping management." To improve enterprise internal operation calls for deepening enter-

prise internal reform as well as strengthening enterprise internal operation and management; only then will it be possible to keep improving economic returns.

Presently, a considerable number of comrades in party and government organizations as well as enterprises neglect enterprise management, and there exists a one-sided understanding of enterprise management. Here I should like to emphasize three points.

First, in enterprise reform, excessive attention is focused on the issue of "property rights, shares, and conversion to corporation," while neglecting the issue of enterprise management. The orientation and goal of deepening enterprise reform is to build a modern enterprise system. The modern enterprise system contains such essences as "clear property rights, explicit power and responsibility, separation of government and enterprise, and scientific management." With respect to building the modern enterprise system, the Central Committee has repeatedly stressed that it is imperative to have a comprehensive, complete, and accurate understanding, and refrain from taking a partial view of the whole picture or severing those essences in understanding. The existence of clear property rights is a very important essence of enterprise reform, but "clear property rights" alone cannot guarantee a successful enterprise or build the modern enterprise system. Management will not be naturally improved with clear property rights. Deviation in thinking and work is also an important cause that led to the downward slide in management. In the modern enterprise system, scientific management is a basic, important characteristic, which includes a complete, scientific managerial system; without "scientific management" it would be impossible to set up a genuine modern enterprise system. In a nutshell, the aforesaid essences of the modern enterprise system are an organic whole, indispensable to each other.

Second, external, macroscopic issues more often than not conceal the enterprise's own managerial problems. We have repeatedly stressed that the difficulties facing large and medium-size state-owned enterprises today are not simply the problems of enterprises themselves but the comprehensive reflection of the deep-rooted contradictions in the Chinese national economy. With respect to enterprises, there are external as well as internal causes; that accounts for why we have repeatedly stressed broad-ranging reform. For example, while inspecting Tianjin, Comrade Jiang Zemin mentioned the issue of enterprise debts; he said that since the beginning of the 1990's, the general debt-incurring rate of enterprises in western developed countries is 50-60 percent, and that of listed corporations in Singapore and Malaysia is only 40 percent, whereas that of Chinese state-owned enterprises is 75 percent; in the past, the

maximum circulation funds the state allotted to state-owned enterprises for their own disposal used to be 70 percent, but now such circulation funds have dropped below 10 percent; in addition, there are problems of surplus labor force, heavy social burdens, and so forth. These are problems that cannot be entirely resolved by the enterprise alone. Besides, such problems as energy resources, transportation, funds, taxation, change in foreign exchange rate, and prices for raw materials are all in objective existence. We must work hard to create a sound external environment for enterprise development; this is beyond doubt, and we are exerting efforts in that direction, too.

However, we should not deny that improvements in the external environment can in no way replace the enterprise's own work. Just as Comrade Li Peng put it, "Presently, the economic results of some enterprises are poor, and poor managerial work is an important reason for this." According to investigation of related departments in some 2,000 state-owned enterprises that suffered deficits in 1993, poor operation and management accounted for the deficits of two-thirds of those enterprises. Why was it that under the same external environment, some enterprises made profits whereas others suffered deficits with the same products and technological equipment? The key lay in the enterprise's internal operation and management, and improving the enterprise's qualities. With the smooth implementation and gradual completion and perfection of the plan for restructuring finance, taxation, banking, foreign exchange, foreign trade, and investment, the pace for building the socialist market economic structure has been markedly stepped up. This will, on the one hand, make the market environment more standardized and create a macroscopic environment better than ever for enterprises' in-depth reform, fair competition, and healthy development; on the other hand, it will make the contradiction in the managerial condition more conspicuous, by which some enterprises "wait for and rely on the government and ask it for help," a behavior that fails to comply with the market economy. The means of protecting enterprises in competitive trade by relying on the government's special policy is gradually disappearing, and state-owned enterprises are going through the tests of reform as well as survival the fittest. Such being the case, responsible government departments at all levels must fully see the importance of strengthening and promoting enterprises' operation on their own, assuming the sole responsibility for profits or losses and acquiring the ability for self-development and self-restriction, and must elevate the level of Chinese enterprises in operation and management on their own.



Third, while attaching importance to blazing new trails externally, enterprises are neglecting the issue of internal management. Presently, we are in the course of converting from the planned economy to the socialist market economy; under the condition of the planned economy, enterprises are appendages to the government, and the supply, production, and marketing are all set by the state. Under socialist market economic conditions, we stress facing the market and that entrepreneurs must go out of factories to enthusiastically open the market and organize production based on market demand. We must state that enhancing the market concept and facing the domestic and overseas market remains the important issue that must be resolved through deepening enterprise reform, and that this is the weak link in enterprises' production operation today as well. However, we must also see that there really are some enterprises which neglect enterprise internal management in production operations. Looking on the outside, the enterprise is bustling with activities; nevertheless, its internal management is in a mess, product operation is unsteady, and accidents keep taking place, with serious loss of assets and lax labor discipline. Exerting great efforts to practice internal skill involves not only operation but also internal management. We must see that accessibility to the market is acquired only through competition, and that the weapons for enterprises in competition are namely, first, marketable products; second, quality that has won consumer's trust; and third, competitive prices. All this is closely connected with enterprise internal management. With enterprise management neglected, even the popularity of some products in great demand will not last, and they will soon be replaced by other products that have greater competitiveness. Augmenting enterprise internal management is an important task that will make the enterprise invincible. Factory directors should exert efforts in practicing internal skill; only then will it be possible to guarantee a market for their products.

#### **Several Outstanding Issues in Strengthening Enterprise Operation and Management Today**

On strengthening enterprise management, I should like to stress three points.

1. Enterprises must regard facing the market as the primary task in strengthening operation and management. Whether an enterprise is able to face the market finds expression ultimately in whether it has smoothly fulfilled sales of its products. According to calculations by the State Statistical Bureau, the selling rate of industrial products in 1994 was 95.48 percent, down by 0.9 percentage point from the previous year; of this, the selling rates of 27 provinces, regions, and municipalities

dropped to various degrees. In December 1994, product inventories of state-owned industrial enterprises within the budget across China were 175.75 billion yuan, a net increase of 34.2 billion yuan over the same period of the previous year, up by 24.2 percent. Such conditions showed that products of a considerable number of enterprises failed to meet market demands, with serious overstocking. With the deepening of the economic restructuring and expansion of opening up, market competition of general industrial consumer goods will grow increasingly intense with each passing day; whether the enterprise's products are marketable will become an important factor that affects its production operations and the quality and efficiency of its economic growth.

In recent years, the pace of China's market building and reform in the circulation arena has been continuously stepped up. In the wake of the promulgation and implementation of the "Regulations for Changing the Operating Mechanisms of Industrial Enterprises Owned by the Whole People," the degree and scope of implementation of the enterprise's say in operations have been markedly elevated and expanded. A large number of enterprises grasped this opportunity to convert mechanism and face the market, with continuous growth in economic returns. In the experiences exchanged at the current conference, Hangzhou Iron and Steel Group Corporation is one of the examples. Compared with other large enterprises in the same trade, Hangzhou Iron and Steel is a local enterprise with its production scope and technological equipment in an inferior position; however, under the condition of supply exceeding demand of products of the entire trade last year, this factory firmly grasped the market-sharing rate of its products relying on market guidance, with the marketing rate of its major products maintaining 100 percent and its operation in a benign cycle. This example illustrates that reform can only create external conditions for the enterprise to face the market. With such external conditions, the crux lies in the enterprise's own efforts, and facing the market can only be realized by the enterprise itself through strengthening operation and management.

Related departments of governments at various levels should guide enterprises to organize production based on market demand and change, augment work in market forecast and information issuance, utilize control means such as credit, energy resources, raw materials, and transportation capacity, and implement the principle of increasing hot-selling products, restricting those with moderate sales, and suspending those with poor sales; especially do a good job in restricting output to reduce inventories, suspending the production of poor-selling goods and switching to other production. Doing a good job of coordination and organization in industry,



communications, and transportation is the traditional task of economic and trade commissions; it is imperative to link the organization of industry, communications, and transportation to readjustments in industrial and product mix, organize the production of hot-selling items with efficiency, and do a good job in restricting overstocking and promoting sales.

To optimize product mix, improve product quality, and continuously develop new products that meet market demand are the key measures for enterprises to improve their market share. Before the spring festival, I visited some provinces and cities. One of the provinces made a comprehensive analysis of its industrial products, of which 20 percent were selling moderately well and 30 percent were selling poorly. In this case, to exert great efforts to conduct restructuring is a pressing task for improving the quality and efficiency of economic growth. Products depend on the market, which determines their rise or decline, life or death. The enterprise must continuously present marketable new products with bright market prospects. Policy permitting, funds for developing new products should be increased, so that the proportion of funds for developing new products in the income from sales will keep growing, while adopting effective measures to give maximum play to the enthusiasm of scientists and technicians. At the same time, it is necessary to pursue multiple operations, augmenting enterprise adaptability to market changes based on the enterprise's own conditions. The enterprise must keep on improving product quality to improve its competitiveness and take the road of quality-and-efficiency-type development.

To augment technological transformation of the enterprise and to push its technological progress is an important measure for ensuring product quality, improving labor productivity, and enhancing product competitiveness. It is imperative to increase enterprise actual spending on technological progress as best we can, stepping up the pace and increasing the magnitude of technological transformation. Enterprise technological transformation must take the market and technological transformation as the guide and readjustment of product mix and improvement in efficiency as the core, whereas efforts must be exerted to support a number of key projects, and lean toward some industry and enterprises with advantages to elevate the level of technology and equipment of the entire trade.

The enterprise must further strengthen operation, marketing, and management, while bringing play to the enthusiasm of salesmen and workers rendering post-sales service. It is imperative to exert great efforts to augment work in market survey and forecast, pay attention to grasping the state macroeconomic policy, including

the readjustment and changes in industrial policy, and study the possible opportunities or effects resulting from macroeconomic regulation and control, so that the operational decision of the enterprise will comply with market changes and the state policy of macroeconomic regulation and control. It is necessary to set up decision-making, development, operational, and marketing structures as well as various regulations and institutions that comply with the requirements of the market economy and the building of the modern enterprise system, while exploring, step by step in practice, how to complete, perfect, and develop the enterprise managerial system that is a part of the modern enterprise system.

2. Presently, it is necessary to strengthen the enterprise's control of funds. Since last year, enterprises have universally reflected the strain in funds, with debt chains among enterprises growing increasingly serious with each passing day; consequently, there is a great shortage of circulation funds, with the debt rate of assets remaining high. According to statistics of related departments, by the end of November 1994, the five industries in China including power, coal, non-ferrous metal, metallurgical, and chemical industry, were in arrears to each other in the amount of 260 billion yuan. By the end of 1994, the volume of debts that should be recovered by enterprises with independent accounting at and above township levels across China was some 630 billion yuan; after allowing a reasonable time for debt repayment to be made, the debts between enterprises were alarmingly large. In some provinces, debt payments in arrears among enterprises came to some 80 billion yuan, which has seriously affected the normal operation of the economic order. With respect to the present condition and cause of debt chains, Comrade Zhu Rongji has made in-depth analysis at the conference on pioneering work of the modern enterprise system and the central economic work conference. For example, excessive importation of steel products and refined petroleum products resulted in the overstocking of domestic products in the same categories while holding up voluminous funds, localities failed to contribute their shares of funds to fixed assets investment, and 2.2 billion yuan was injected before the Spring Festival to solve the debt chains in the metallurgical and coal industries. All this should be resolved from a macroscopic angle. What I want to stress is that presently, another cause of enterprise shortage of funds is the low utilization rate of funds; and, limited funds have not been used rationally in some enterprises, resulting in a low efficiency rate in the operation of funds. Some enterprises have blindly pursued output value and growth rate; their irrational product mix was irrational, and their finished products held up a considerable portion of funds, with circulation of funds blocked. Based on bank statistics, even under the condition of

industrial circulation funds being in great shortage in 1994, some 100 billion yuan in newly increased products of the industrial system were in inventory across China, almost equating the volume of newly increased circulation funds for the year. A considerably large portion of the not easily acquired newly-increased industrial circulation funds was again frozen because of problems in enterprise production operations. In addition, some enterprises have excessively expanded their scope of investment in fixed assets with insufficient funds, thus using up circulation funds which were already in short supply; other enterprises had a small volume of circulation funds at their disposal and a weak sense of supplementing their circulation funds, thus failing to grasp the opportunity in a sound operational situation to supplement circulation funds on their own. For these reasons, the turnover number [zhouzhuan cishu 0719 6567 2945 2422] of circulation funds of Chinese industrial enterprises was only 1.43 in 1994, which was lower than the 1.71 of 1993, and the average 1.83 during the Seventh Five-year Plan. Insufficient funds in addition to low utilization rates resulted in a drop in the profit-and-tax rate yielded by funds, and a rise in the asset liability ratio.

Aiming at the shortage of funds in enterprises today, the Ministry of Metallurgical Industry set out the administrative principle for the metallurgical system, namely, "enterprise management centers around financial management, which in turn centers around management of funds." This experience is of certain guiding significance to various localities, trades, and the broad enterprises. It is imperative to regard weeding out debt chains among enterprises as one of the focuses of enterprise funds management in the near future. Presently, the saying that it is justified as well as helpful to keep debt payment in arrears, and the practice itself, which have been popular in a considerable number of enterprises, are erroneous and are an expression of incompetence. Enterprises must attach importance to maintaining their own image. The enterprise image is its intangible assets, which must be prized. By no means should the factory director or manager spoil this reputation and throw mud at the enterprise for failing to return its debts. The enterprise leadership must adhere to the principle of fixing output according to sales conditions and strengthen work in recovering proceeds. It is necessary to augment control over balancing the books, be strict with discipline in settling accounts, and resolutely stop the practice of being in arrears with debt payments. To accelerate circulation of funds, related departments and enterprises should cooperate with each other and continue to explore implementation of the method for trade bill settlement to prevent the surfacing of new cases of being in arrears.

Augmenting enterprise cost control is another important aspect of doing a good job of enterprise funds management. Presently, the cost-profit rate of Chinese industrial enterprises is only 4.9 percent, and the power utilization rate is only 30 percent, whereas the consumption of energy resources and raw materials accounts for over 70 percent of product cost, which is far lower than the advanced level overseas. Such being the case, in enterprise production operations, a most important matter is to augment cost control, cut back irrational consumption, and eliminate waste to elevate the output level of inputs.

With respect to investment and development of the enterprise, it is necessary to proceed from grasping control over the raising, utilization, and operation of funds, and pay attention to correcting the tendencies of blindly pursuing output value, growth rate, expanding development scope, and external extension of reproduction, while exerting greater efforts in technological transformation and taking the road of development characterized by less input with greater output, good quality, low consumption, and high efficiency.

To convert factors of production into funds to reinvigorate funds is another important measure for augmenting enterprise management in deepening enterprise reform today. An important experience of Beijing's light industry system was to reinvigorate stock and turn factors of production into production funds. First, they utilized the difference in rent between different grades of plots of land, acquiring some \$200 million from land transfer; and second, enterprises in various categories initiated 100-some joint ventures with Chinese and foreign investment and attracted foreign investment totalling some \$200 million. Related departments should guide enterprises to widen fund-raising channels, base themselves on reinvigorating stock, and pay attention to conversion of factors of production and funds.

Presently, state-owned enterprises are facing many difficulties in production operations and are unable to completely resolve the problem of insufficient funds through their own efforts. It is imperative to change the situation whereby the proportion of loans for fixed assets in the credit structure has kept rising since 1991, while the proportion of loans for circulation funds has kept dropping with each passing year. Related departments must harmonize the allocation of credit funds and give focal support to the production operations of those large and medium-size state-owned enterprises that have a market, efficiency, and a bearing on the national plan and people's livelihood. Financial resources permitting, it is necessary gradually to set up a mechanism to inject capital in large and medium-size state-owned enterprises as well as the enterprise's own supplementary funds.

3. Enterprises must find solutions to the issue of surplus personnel as an important measure for strengthening operation and management. Excessive surplus personnel is an important cause of enterprises' low economic returns. The issue of surplus personnel of enterprises is an issue to be resolved in enterprise reform as well as enterprise management. The per-capita output of the Chinese iron and steel industry is 20-40 tons, and the maximum is 360 tons, whereas per-capita output in developed countries is 500-800 tons. The per-capita output of China's coal industry is 170 tons, whereas the per-capita output of commodity coal is 6,700 tons. The basic solution to the problem of surplus personnel lies in deepening reform and strengthening enterprise management.

The problem of excessive surplus personnel exists not only in those enterprises with insufficient production tasks, but also in most enterprises with sound economic returns and ample production tasks. Statistics show that the volume of surplus personnel of Chinese state-owned enterprises is one-third to one-half the total personnel. If these personnel were transferred from the existing production system with arrangements made appropriately, many difficulties of state-owned enterprises would be easily resolved. Of course, the solution to enterprise overstaffing is very complicated, and considerably arduous at that. Especially under the circumstance that the social insurance system has not been completely implemented and the re-employment system has not yet taken shape, it is a relatively difficult job, and it will not do to be hasty. It is necessary to take into consideration the bearing capacity of society and appropriately handle the relationships among reform, development, and stability. However, we should never relax in work in this arena because of difficulties. In particular, those newly-established enterprises, those units that have the necessary conditions to resolve the issue of surplus personnel, and those units whose production keeps growing and which rely on large cities (for development) and have the necessary conditions to do so, should take measures to remove surplus personnel from first-line posts and managerial organs and give them rotational training. It is imperative to resolve the workforce deployment problem characterized by "being strained on the first line, relaxed on the second line, and overstaffed on the third line," gradually separate units of rear supply and service from the enterprise to develop the tertiary industry in a big way, initiate independent economic bodies, and divert surplus personnel. A small number of enterprises with capability should target advanced world levels and even world first-rate levels in their labor productivity index; they can make larger strides in releasing and diverting surplus personnel. Local governments and related departments must exert great efforts

to support enterprises in creating external conditions for enterprises to resolve the problem of surplus work force. Through setting up the social insurance structure, it is necessary to develop the tertiary industry in a big way, and implement measures for re-employment to extensively absorb surplus enterprise personnel.

Practice has proved that enterprise merger is an effective measure for diverting enterprise surplus personnel and realizing the optimal combination of production essentials. Focal efforts should be exerted to do a good job in enterprise merger and bankruptcy in the 18 cities with optimal capital structure. It is necessary to determine and develop 500-1,000 large state-owned enterprises and enterprise groups with advantages, to establish ties and bring along a large number of enterprises through assets ties to promote the readjustment of industrial setup and enterprises organizational structure so that there is ample room for enterprises with disadvantages to move around in their closing, suspension, merger, or transfer. From the angle of improving labor productivity, diverting enterprise surplus personnel and separating enterprise-run social functions are closely connected. Separation of enterprise-run social functions will be conducted mainly by pioneering 100 enterprises in setting up the modern enterprise system in 18 pioneering cities; enterprises may separate social functions on a voluntary basis when conditions are ripe.

#### **Improve and Augment Building of Enterprise Leading Bodies, Bring Up an Entrepreneurs Contingent Meeting the Requirements of the Market Economy**

The key to whether an enterprise is run well lies in the leading body, and the core is the chief responsible person of the enterprise. Under largely similar macroscopic conditions, whether the quality of enterprise leading members is high or low and whether the leading body works in concert are decisive as to whether the enterprise makes profits or suffers deficits. Comrade Li Peng has stressed on several occasions that the key to doing a good job in enterprises is to have a good leading body, a good product, and a sound mechanism; and he explicitly set out at the central economic work conference: "It is imperative to conduct comprehensive examination of leading bodies of large and medium-size enterprises in an organized way; those leading cadres who are incompetent at their posts must be removed from office, and those bodies with major problems and many contradictions must be readjusted." That is a very important task, and various related departments must attach great importance to firmly grasp and do a good job of it.



However, no improvement in the external environment can replace the role of the entrepreneur. It is imperative to deepen understanding of the entrepreneur's important role in building the socialist market economy. One of our targets in reform is to turn enterprises into genuine major aspects of the market and build the microeconomic foundation under the socialist market economic conditions, while entrepreneurs play a vitally important role in deepening enterprise reform. A correct understanding in bringing up a large contingent of professional entrepreneurs who have knowledge of the socialist market economy is the basis for deepening reform of large and medium-size state-owned enterprises and doing a good job of the foundation of enterprise management; it is an important essence in doing a good job in state-owned enterprises, too. The entrepreneur must have a strong sense of mission and responsibility; the entrepreneur who operates state-owned assets especially must shoulder the responsibility for preserving the value of state-owned assets and bearing a heavy responsibility for workers and staffers of the whole factory; he must fully see his historical mission, important duty, and function.

Building the shaping, stimulating, and restricting mechanism of the entrepreneurs contingent is an important aspect of deepening reform of large and medium-size state-owned enterprises. We must adhere to the guidance of Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics, enthusiastically explore and discuss the issue of entrepreneurs turning professional and their going into the job market, encourage entrepreneurs to become professional experts in operations and management, while regarding initiating and developing enterprises as their career for a lifetime and their fighting goal. It is imperative to probe the way to appoint market allocation operators and invite entrepreneurs to posts on the basis of the principle of the party controlling the cadres, while building corresponding mechanisms of competition and restriction. All localities must actively explore the way of bringing up and administrating factory directors and managers, while gradually setting up the systems and measures for bringing up, selecting, inviting to post, and checking senior enterprise managerial talents to judge the accomplishments of enterprise operators in a scientific way. In selecting and inviting an entrepreneur to post, it is necessary to check whether he is loyal to the party and the people and whether he is upright and honest; at the same time, it is necessary to check his accomplishments in operation and his actual talents. The entrepreneur's income must be linked to the enterprise's economic returns so that the entrepreneur will become one of the professors who are held in high esteem.

To bring up a contingent of entrepreneurs who are politically and ideologically strong, courageous, and good at operations and management, and have professional and technological knowledge, is the pressing need of socialist market economic development, an important condition for building the modern enterprise system, and an important essence in strengthening enterprise managerial work. In a certain sense, when a large number of fine entrepreneurs surface, the socialist market economy will prosper.

On building the contingent of entrepreneurs, I should like to stress a few points that are related to enterprise management:

1. It is necessary to acquire operational and managerial thinking that complies with the requirements of the market economy. It is imperative to establish the concepts of the market, efficiency, competition, quality, and qualified people. Presently, we are in the process of converting the planned economy to the market economy; should the enterprise operator stick with the planned economy concept and continue the past practice of waiting for, relying on, and asking for help, with his eyes turning to the superior, looking to the mayor instead of the market for help when problems crop up, it will be difficult for an enterprise with difficulties to get out of the impasse, whereas it will be impossible for a good enterprise to increase its assets and grow rapidly. Such being the case, we may state that every successful entrepreneur has a set of operational concepts that comply with the requirements of the market economy. Advanced thinking and concepts will convert to tremendous productive force and important software for the enterprise to win in competition. If an entrepreneur is backward in his concepts and inferior to others in understanding, how can he win in fierce market competition? Some enterprises suffered deficits at first but managed to get out of the situation, then grew strong with the same old personnel and equipment; the key lies in the change in people's concepts, especially those of leading members, so that their operational strategy and product mix will meet market demand. Such examples are numerous. The pursuit of modern management involves five important aspects, namely, modern managerial thinking, modern organizational and administrative systems, modern qualified people, modern managerial ways, and modern managerial means. All five aspects are important, but modern managerial thinking is the most fundamental, because ideological understanding is the guide to action. Not only should enterprises and entrepreneurs change their concepts, but governments and related departments should accelerate the change in concepts and earnestly render service to enterprises, doing a good job of coordination, supervision, and guidance.

2. It is necessary to be strict with management and be courageous in grasping work and management. Should enterprise management lack scientific quality and standardization, it will naturally lead to messy duties and responsibilities, arguing back and forth, shifting responsibility between departments, low efficiency, inferior quality, and serious waste. To realize standardization, it is imperative to be strict with management, which is the most fundamental requirement in enterprise management; only then will it be possible to acquire efficiency. If the enterprise is to win in competition, flexibility is called for in the enterprise's external operations and strictness in internal management. Those are the two sides of an issue; only when unified command is implemented inside the enterprise with strict management will it be possible to guarantee the flexible response of the enterprise in a changed environment, and conduct prompt readjustment so that the entire enterprise will be harmonized in action, thereby enhancing the enterprise's market adaptability. Loose management with lax discipline is a problem that exists universally in the management of some enterprises today. Some enterprises do not observe regulations when such regulations exist; institutions exist in name only; neither labor discipline nor technical rules are strictly followed and implemented, and sometimes, command and operations are conducted even against rules and regulations. In some enterprises, on-site management is characterized by "dirt, confusion, and mistakes" [zang luan cha 5253 0052 1567], with evaporation, oozing, dripping, and leakage [pao mao di lou 6410 0379 3336 3345] everywhere, production operational order confused, and accidents frequent. Such conditions must be changed as soon as possible. It is imperative to be strict with discipline and strengthen the contracted responsibility system to guarantee the implementation of various rules, regulations, and institutions. Especially leading members of enterprises must take the lead in playing an exemplary role and run the factory strictly according to the law, so that the entire production operation will be standardized in an orderly way.

3. It is imperative to rely on the working class heart and soul. Market competition reflects the competition of products in form; in the final analysis, it is the competition of talents. To augment enterprise management and magnify enterprise vigor and market competitiveness, the core issue is to do one's best to bring into play people's enthusiasm, initiative, and creativity. Man is the most crucial, positive, and active factor of all the factors of production. All activities in an enterprise's production operations are fulfilled by people. To an enterprise, only when it establishes the concept of man being the foundation, bringing into play the enthusiasm, initiative, and creativity of the broad workers and staffers, will it be possible to ensure the prosperity of the enterprise.

Implementation of the system of overall responsibility by factory director (manager) is an important aspect of enterprise reform which is helpful to setting up a unified, highly effective production command as well as an operational and managerial system with great efficiency. However, the factory director (manager) must be good at giving play to the role of the enterprise leading body, party organization, and congress of workers and staffers, leading an ear to opinions from various aspects to pool their wisdom so that decision-making is based on collective wisdom.

The decisive factor in the success or failure of an undertaking is people; that is an irrefutable truth. To do a good job of bringing along the contingent of workers and staff is the entrepreneur's most important duty and responsibility. The entrepreneur must do his best to give play to the enthusiasm and creativity of the broad workers and staff, relying on the working class [gong ren jie ji 1562 0086 7132 4787] to run the enterprise. It is imperative to explore enthusiastically the new channel to augment democratic management by workers and staff under the new situation of reform and opening up. It is necessary to enhance intelligent development of workers and staff and spare no money to train qualified people to keep improving the ideological and technical qualities of workers and staff. The continuous improvement of human qualities is the basis for the prosperity of the enterprise. It is imperative to nurture the enterprise culture and spirit with great efforts to magnify the rallying force of the enterprise.

4. It is necessary to grasp study firmly and optimize the knowledge structure. Some enterprise leading members are backward in concepts, weak in leadership with a low level in decision-making, and poor in operations and management; all this is attributed to their scarcity in knowledge. To study earnestly Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics, his managerial thinking and art of leadership characterized by seeking truth from facts, proceeding from the actual conditions in everything, the basic knowledge of the socialist market economy, and the basic methods of modern enterprise management, are the requirements of enterprise leading members under the new situation. Governments at all levels must step up the pace in setting up national and local systems for training entrepreneurs. While pushing the training of entrepreneurs, entrepreneurs themselves should work hard, grasp study firmly to renovate their knowledge, optimize their knowledge structure, and exert efforts to mold themselves into pioneer-type qualified people characterized by being strong politically and ideologically, resourceful in the knowledge of economics and management, having knowledge in their profession and technology.

with politics, economics, and technology combined in an organic way, thus meeting the pressing needs of socialist market economic development, of setting up the modern enterprise system, and of the pursuit of domestic and overseas operations and competition.

It is true that entrepreneurs are facing the issue of renovating their knowledge and studying working harder, but leading cadres of government departments at all levels, especially those leading cadres of economic responsible departments, must also study hard to renovate their knowledge. We must have a clear picture that building the socialist market economic structure is a great change unprecedented in Chinese history, without ready experiences to refer to and copy. In the course of such a great change, many new conditions and problems will inevitably surface which will call for study and exploration. To study new conditions and resolve new problems, the important point is to work hard in study. If we know very little about the market economy and have only superficial knowledge about the modern enterprise system, it will be impossible for us to do a good job of enterprise reform and management. This being the case, to build socialism with Chinese characteristics, to step up the pace of building the socialist market economic structure, and to enable China to occupy an advantageous position in the fierce competition in the world economy in the 21st Century, we must study, study, and study again.

**NPC Lawmaker Says Encourage Airplane Industry**  
OW2706141195 Beijing XINHUA in English  
1321 GMT 27 Jun 95

[FBIS Transcribed Text] Beijing, June 27 (XINHUA) — China should adopt preferential policies toward domestic plane manufacturing, instead of being solely dependent upon importing foreign planes, a lawmaker who is also a jet plane designer proposed today.

China should put it into law that "the state encourages the civil aviation manufacturing industry, and encourages research and education in aerospace sciences to make Chinese civil aviation safe, economical and based on China's reality," said Gu Songfen, when the National People's Congress (NPC) Standing Committee deliberated the draft Civil Aviation Law today.

Nearly all large passenger planes in China are imported at the moment, which costs the country billions of US dollars every year and harms the domestic manufacturing industries, said Gu, 64, an expert in aircraft designing and academican of the Chinese Academy of Engineering.

The country will need more than 2,000 passenger planes when it reaches the level of the medium-developed

countries in the middle of the next century, and that will cost several hundred billion US dollars, he predicted.

Encouragement of the domestic aircraft industry is stipulated in the civil aviation laws of many countries, so it is necessary for China to follow suit, he said.

Lawmaker Qing Zhongda said today that the import of passenger planes should be strictly tightened.

Chen Suzhi, a member of the NPC Civil Affairs and Judicial Committee, said that China has a solid foundation in aircraft manufacturing, and the development of aerospace science is at a relatively high level.

"It is wasteful for China to use such a contingent for the mere production of machine parts," Chen said.

The draft Civil Aviation Law, submitted to the current session of the NPC Standing Committee on June 23, is intended to promote the safety of the country's air transportation, protect the legal rights of passengers, and beef up control over the civil aviation industry.

Legal responsibility in cases of harming the safety of passengers and violating their legal rights should be further clarified in the law, said Zhang Zhongxian, a member of the lawmaking body.

The frequent delays of air schedules and random charges should be banned in the law, Zhang added.

Other lawmakers said that the special terms in the draft law should be changed for easy understanding by the public, as it is closely linked to the interests of the public.

**Official Measures Stabilize Property Market**  
HK2906100495 Beijing CHINA DAILY in English  
27 Jun 95 p 1

[By Yang Yingshi: "Rulings Stabilize Property Markets"]

[FBIS Transcribed Text] China's real estate industry has had steady growth this year thanks to a series of measures taken by the authorities to regulate the property market, a Construction Ministry official said yesterday.

"Growth of the sector, which was once feverish in the past few years, has now been brought under control," said Xie Jiajin, Deputy Director of the ministry's Real Estate Department.

Years of efforts in macroeconomic control, Xie said, has led to slowing the growth of real estate investment and a remarkable improvement of the investment structure.



According to statistics from the State Statistics Bureau, total investment in the real estate sector reached 179.7 billion yuan (\$21.65 billion) in the last year, 41.3 per cent more than 1993.

The growth was much less compared with the 124 per cent growth of 1993 over 1992, and the 117 per cent surge in 1992 over 1991.

More investors have shifted their investment from luxury real estate projects to ordinary residential buildings, while the government set limits on the development of luxury projects, which had occupied large amount of funds for mass housing construction.

Investment in standard housing construction, or housing for the masses, now accounts for about 80 per cent of the total investment in the real estate sector, ministry sources said.

In southern cities of Chongqing and Wuhan, some foreign developers has begun to invest in the national comfort housing projects, which aim to ease the housing shortage for the majority of middle- and low-income families.

It is of great potential to invest in residential housing construction, Xie said, encouraging more investors, especially foreign investors, to switch their investment to the much-needed residential apartments.

Foreign developers are also encouraged to invest in the renovation of China's urban areas, according to a State Council circular issued earlier this month.

In response to the prediction by some media that the real estate business would rise remarkably in the coming year, Xie said "we are unwilling to see another peak like before."

She also attributed the stabilization of the sector to the January 1 Urban Real Estate Management Law, which has played an "positive role" in regulating the industry during the past six months.

Xie said the ministry has put into force at least three supplementary regulations to the law covering commercial houses presale, real estate development real estate appraiser registration and urban housing rentals.

Two additional regulations on real estate transfer and intermediary management will soon be issued.

Three other such regulations on real estate development and management, property rights registration and price management are being drafted by the Legislative Bureau of the State Council and will come out soon.

These supplementary rules and regulations are expected to help further standardize the real estate market, Xie said.

#### Ministries Join Efforts To Curb Smuggling

HK2906100095 Beijing CHINA DAILY in English  
28 Jun 95 p 2

[By Lu Hongyong: "Joint Effort Diminishes Effects of Smuggling"]

[FBIS Transcribed Text] China's General Administration of Customs signed a memorandum yesterday with the Ministry of Machinery Industry to co-ordinate efforts to curb the smuggling of automobiles, cameras and photocopy machines.

The memo is the seventh GAC has signed since late last year with various government departments and institutions on jointly attacking smuggling.

Smuggling of veneer boards, cigarettes, oil products, sugar, computers and automobiles were rampant last year, prompting GAC to take the actions.

Memo signatories from industries are committed to inform the GAC of their latest industrial policies, market fluctuations and hints of smuggling. They are also to suggest new actions against smuggling.

Customs, in turn, informs the industries of the exports and imports of merchandise monitored, analyze clues of smuggling the industries provide and take appropriate actions.

By signing and the enforcement of the memorandums, customs officials believe smuggling in the sectors can be reined in to control domestic industries and restore order in foreign trade.

Joint efforts by GAC, the ministries of industries and the industrial associations have achieved initial success.

Customs statistics show that in the first five months this year customs have uncovered 375 major smuggling cases, with goods confiscated worth 1.3 billion yuan (\$156 million), up 23 per cent from same period last year.

According to sources from the China Petrochemical Corp (Sinopec), the supply-demand balance has been achieved in the petrochemical sector, thanks to customs crackdowns on smuggling and the State's action to toughen quota control on imports of petrochemical products.

Great achievements have also been made against smuggling of automobiles and sugar. In the January-May period, catches from attempted automobile smuggling totalled 120 million yuan (\$14.46 million) and more than 130,000 tons of smuggled sugar was seized.

### **Economic Cooperation Helps Growth in Western Provinces**

*OW2906053295 Beijing XINHUA in English  
0445 GMT 29 Jun 95*

[FBIS Transcribed Text] Yinchuan, June 29 (XINHUA) — There is a new surge of economic development in western China with the joint efforts of the provinces and regions in the locality and assistance from the coastal areas.

More and more economic and trade inspection groups from the booming coastal areas including Shanghai, Jiangsu, Zhejiang, Guangdong and Shandong are pouring into the area to seek opportunities of cooperation.

In the joint development drive, companies from coastal China which came early are already making profits, according to local officials.

A state-owned diesel engine company from Changzhou City, East China's Jiangsu Province, has invested a total 20 million yuan in the Ningxia Hui Autonomous Region to build a new firm producing diesel engines together with a local plant.

In the first five months of this year, the cooperative firm has gained a total profit of 5.29 million yuan and its products are sold throughout the country. It has therefore decided to expand the annual output to 300,000 diesel engines in the near future.

The Beijing-based "Rainbow" Company has built a linen textile group company based on a local linen mill in Pengyang County, to make full use of the abundant linen resources. This enabled six debt-ridden enterprises in the region to turn profitable.

Meantime, township enterprises in East China are also coming to explore the potential large market in the inland areas. The Hangzhou Wanxiang Group, a renowned township enterprise in Zhejiang Province, plans to invest 100 million yuan in western China.

During his inspection of Ningxia, Wu Renbao, chairman of the Huaxi Group in Jiangsu Province, another giant township company, said that his company is to build a new development zone for about 6,000 resettled people in a poverty-stricken area of Ningxia.

So far, east-west economic cooperation has extended to cover the raw material industry, agriculture, forestry, animal husbandry and processing businesses.

Over the past several years, companies from Tianjin, Shanghai and Hebei Province have invested at least 290 million yuan in the Xinjiang Uygur Autonomous Region to build a cotton production base of about 70,000 hectares. Investors from Guangdong Province have built

grape and Hami melon production and processing bases in the region.

East China's industrial and commercial center of Shanghai is to shift part of its textile industry, about 100,000 to 200,000 spindles, to Xinjiang in the near future. The total shifted volume from the coastal cities will reach one million spindles.

Li Hanhua, deputy chairman of the Changzhou Diesel Engine Company, Jiangsu province, attributed the surge of east-west joint economic development to local abundant natural resources, cheap labor and favorable investment environment.

Economic experts believe that the surge in joint development of the west part of the country will promote mutual growth between the east and west and reduce regional disparities.

### **Corporation Sets Up Automobile Department**

*HK2806121295 Beijing CHINA DAILY in English  
26 Jun 95 p 5*

[By Zhang Yuan: "Auto Arm Fills Need at Norinco"]

[FBIS Transcribed Text] The China North Industries Group Corp (Norinco Group) has established an automobile department to meet market competition.

The department, which has been in operation since early this month, aims to mobilize and coordinate the group's resources to gain a foothold in the promising domestic motor vehicle and auto parts industry. Liu Zhitong, deputy director of the department, said in an interview at the weekend.

Major responsibilities of the department will include: drafting and supervising the implementation of Norinco Group's auto development strategy; working out annual investment plans for the group's auto products and spare parts; developing new products and promoting localization; co-ordinating the introduction of foreign funds and technology for the production of autos and spare parts; and preparing the establishment of auto companies within the group.

To meet market demand, Norinco Group plans to increase its annual production capacity to 150,000 mini-cars and 100,000 mini-vans and mini-trucks in the next two years, Liu said.

With the growth of production capacity and increasing use of locally manufactured parts, the department expects to cut the price of its Alto brand car from the current 70,000 yuan (\$8,400) to around 50,000 yuan (\$6,000) in about two years.

The price drop is expected to promote sales of the mini-cars to urban families, Liu said.

Norinco Group's four auto plants — in the cities of Chongqing, Xian, Jilin and Xiangtan — produced nearly 40,000 Alto cars last year.

Its total mini-vehicle production is expected to reach 60,000 this year.

Norinco Group, which formerly made only military equipment, began to develop civilian products in the late 1970s. The comparatively advanced technology and equipment and strict management at its military plants helped the group quickly develop a number of marketable civilian products, including colour television sets, refrigerators, motorcycles and automobiles.

Mini-cars, vans and trucks have become the group's major civilian products and account for a large share of the domestic market. The group now has started to export the vehicles.

It has also developed heavy duty trucks and luxury coaches. These include Tiema brand heavy-duty trucks, manufactured by its Chongqing plant; Norinco-Benz and Telex heavy duty trucks, made by its plants in the Inner Mongolia Autonomous Region; and Neoplan brand luxury coaches developed by its plant in Beijing.

To promote the development of China's auto parts industry, Norinco Group is seeking for foreign investment and co-operation in 22 projects, Liu said.

The group recently reached agreements with US and German companies to establish two joint ventures to produce auto parts, he said.

Other auto parts projects involve the manufacture of advanced- function engine pistons, shock absorbers, lamps, rearview mirrors, safety bags, integrated circuits, electronics digital display meters and minimotors.

#### **Warning Notice on Possible Marine Disasters**

*OW2906102195 Beijing XINHUA in English*  
*1004 GMT 29 Jun 95*

[FBIS Transcribed Text] Beijing, June 29 (XINHUA) — China's State Bureau of Oceanography recently issued a notice warning coastal areas to be on alert for marine disasters during the summer.

The notice said that summer is a period when marine disasters occur most frequently in coastal areas, especially storms and typhoons that frequently hit coastal areas and cause huge economic losses and human casualties.

Last year, Chinese coastal areas were hit six times by storms and Chinese seas and neighboring oceans

were hit frequently. Statistics show that direct economic losses caused by various marine disasters topped 19.3 billion yuan last year while 3,730 ships were destroyed and 1,248 people killed.

Local oceanographical departments are asked to do a good job in forecasting adverse weather conditions and to keep their staff members on high alert in monitoring weather changes. Facilities and telecommunication lines at various monitoring stations should be given a thorough check to ensure that they are in good working order.

#### **Large Coal Discovery Made in Ordos Basin Area**

*OW2906103895 Beijing XINHUA in English*  
*1027 GMT 29 Jun 95*

[FBIS Transcribed Text] Xian, June 29 (XINHUA) — A total of 2 trillion tons of coal deposits were discovered recently at depths of up to 2000 km in the Ordos Basin, making it one of the world's largest coal fields, according to Chinese geological sources.

The Ordos Basin, located in the five provinces and autonomous regions of Shaanxi, Gansu, Ningxia, Inner Mongolia, and Shanxi in northwest China, covers an area of 400,000 sq km.

According to local officials, by 1992 the Ordos Basin area was already known to have proven coal deposits of 66.7 billion tons and 13 coal mining areas had been established, with annual output of raw coal reaching 32.35 million tons.

The Basin area, the local officials said, is abundant in a dozen varieties of coal including coking coal, anthracite, and soft coal which can be used for a variety of things such as coking, gas manufacturing, and liquefaction.

They said that with the shift in focus from the east to the western part of China for coal production, the country is paying more attention to the Ordos Basin, and output is expected to reach 200 million tons a year.

#### **Finance & Banking**

##### **NPC Panels Discuss Draft Economic Laws**

*OW2906063995 Beijing XINHUA Domestic Service*  
*in Chinese 1118 GMT 26 Jun 95*

[By reporters Liu Siyang (0491 1835 2254) and Jia Fenyong (6328 1164 0516) ]

[FBIS Translated Text] Beijing, 26 Jun (XINHUA) — The 14th session of the National People's Congress (NPC) Standing Committee held panel discussions over the past few days to examine draft laws dealing with guarantees, insurance, sabotaging financial order, and



energy conservation. NPC Standing Committee members held that the four draft laws have become quite sound after being revised several times and suggested that they be adopted at an earlier date after being further examined and amended.

Concerning the draft guarantee law, NPC Standing Committee members held that under the current excellent situation in the development of a market economy, some litigants in economic operations lack a sense of responsibility, and so it is quite necessary to formulate a guarantee law for such business transactions as warranty, mortgage, pledge and earnest money. Standing Committee member Li Hao said that since the beginning of reform and opening up, there have been more and more economic activities such as warranty and mortgage, so it is necessary to have complete and sound laws for such activities. Some members noted that in principle, state organs should not act as guarantors. However, because some loans for investment projects are granted by government policy, it would be very difficult to find guarantors for those projects. A solution to the problem is necessary to facilitate key construction projects. Some members also gave their opinions on revising stipulations forbidding certain institutions to act as guarantors and regulating the mortgage of land use rights.

In examining the draft insurance law, NPC Standing Committee members held that it is quite necessary to enact an insurance law to provide guidance for the insurance business, to protect the legitimate rights of insurance companies and policy holders, and to promote development of the insurance business. Some members held that since the draft insurance law deals only with business insurance, it should be called a commercial insurance law. Some members noted that the draft insurance law should have clearer, more detailed stipulations for dealing with natural disasters, science and technology, and agricultural production. Li Peiyao, vice chairman of the NPC Standing Committee, said that the principle of voluntary insurance should be observed and that the compulsory insurance required by certain administrative departments should be stopped.

While deliberating on the draft energy conservation law, NPC Standing Committee members pointed out that although our country does not have adequate energy sources, there is serious waste in energy consumption. For sustained and rapid economic development, it is imperative to adopt measures to conserve energy resources. However, some members held that the draft energy conservation law is too vague and lacks specific targets for various units, including industrial departments. It will be difficult to implement the law. Member Chi Haibin said that in addition to the objective reasons for our country's high consumption of energy and backward energy

conservation technology, another important reason is the lack of effective administration. The draft energy conservation law should clearly define which departments of the State Council are in charge of energy conservation work and set specific duties for those departments.

In reviewing the draft resolution on punishing criminals who sabotage financial order, NPC Standing Committee members held that in general the resolution is quite sound. Some members also put forward some opinions regarding the resolution. Member Wu Shuqing said that the resolution's stipulation on punishment for dereliction of duties is too light. He said that the consequences of illegally absorbing deposits and using fraud to gather funds may be the same, but their starting point is different; the draft resolution should make the distinction clear.

**First Urban Cooperative Bank Opens in Shenzhen**  
*OW2806100895 Beijing XINHUA in English*  
0843 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — China's first urban co-operative bank, the Shenzhen Urban Co-operative Commercial Bank, has opened in Shenzhen, Guangdong Province, according to today's "China Securities".

The paper said that the establishment of urban co-operative banks is a major measure to reform China's financial system and improve the managerial system of urban co-operative financial institutions.

With the approval of the People's Bank of China, the central bank, the new bank is a local joint-stock commercial bank, with a first group of 165 shareholders. It has a registered capital of 1.8 billion yuan.

Established by 16 urban credit co-operatives, the bank will cooperate independently, and assume full responsibility for its profits and losses.

**Construction Bank Plans To Become Fully Commercial**

*HK2806121195 Beijing CHINA DAILY in English*  
26 Jun 95 p 5

[By Yu An: "PCBC Forging Towards Full Commercial Bank Status"]

[FBIS Transcribed Text] The People's Construction Bank of China (PCBC) plans to become a commercial bank that conforms strictly to international management and operational requirements by the turn of the century.

The target reflects more than a year's movement in this direction, the bank announced at the weekend.

Under China's blueprint for commercial bank reform, State-owned specialized banks are to be transformed into commercial ones.

The PCBC's continuous efforts to enhance its financial strength, expand its business scope and improve its management in the past 10 years have laid the foundation for its transformation into a strictly commercial bank, said Wang Qishan, PCBC president.

The bank should pursue the goal of autonomy in operations and management; responsibility for risks, profits and losses; and self-monitoring, Wang told a PCBC national management and operations conference in Beijing last week.

The PCBC should shift its operational focus to improving efficiency, and all bank employees should consider this their top task, Wang said.

This is important because the country's major State-owned banks, including the PCBC, reported lower profits last year.

The country's first commercial bank law, passed by the National People's Congress Standing Committee in May, is to come into effect on July 1.

Under the law, State-owned banks can expect less administrative interference and more autonomy in operation and management.

But Wang conceded that it will not be easy to turn the PCBC into a strictly commercial bank after four decades of operating under a planned economy.

New rules for operating within a socialist market economy have yet to be perfected and administrative interference in the business of banks is still common.

Wang urged bank staff members nationwide to deal appropriately with the transition and conform to the provisions of the commercial bank law.

The PCBC has been the country's leading financial arm in financing capital construction projects. By the end of last year, the bank had assets totalling 1,397.5 billion yuan (\$168.4 billion), making it one of the world's 30 largest banks.

The PCBC aims to become a major international commercial bank specializing in medium and long-term credit, Wang said.

#### **Huaxia Bank Opens Branch in Zhejiang Province**

*OW2806104195 Beijing XINHUA in English*  
*0905 GMT 28 Jun 95*

[FBIS Transcribed Text] Hangzhou, June 28 (XINHUA) — The Huaxia Bank inaugurated a provincial branch in this capital of east China's Zhejiang Province today.

With 100 million yuan in circulating funds, this regional commercial bank will provide various financial services, said the branch's president.

Founded by the Capital Iron and Steel Company in 1992, the Huaxia Bank was transformed into a shareholding commercial bank, and increased the value of its registered capital to three billion yuan early this year. Up to now, the bank has branches in Nanjing, capital of Jiangsu province, and Hangzhou.

With the approval of the People's Bank of China, the central bank, the Huaxia Bank has plans to establish additional five provincial branches in Shijiazhuang, Shenyang, Beijing, Jinan and Shanghai in the second half of this year.

#### **Jiangsu Reports Net Money Withdrawal**

*OW2706052495 Beijing XINHUA in English*  
*0452 GMT 27 Jun 95*

[FBIS Transcribed Text] Nanjing, June 27 (XINHUA) — East China's prospering Jiangsu Province withdrew 349 million yuan (about 41.5 million US dollars) from circulation in the first five months of this year, up 584 million yuan over the same 1994 period, a provincial official said.

The official said that the increased withdrawal of money is largely due to the considerable growth in sales of commodities and bank deposits.

The sales volume in the province amounted to 69.903 billion yuan (about 8.3 billion US dollars) between January and May, up 26.45 percent over the same period of last year.

Savings deposits at banks and other financial institutions totaled 294.685 billion yuan (about 35.1 billion US dollars) in May, some 850.9 million yuan more than a month earlier, according to the official.

#### **New Credit Card Issued in Guangzhou**

*OW2806171895 Beijing XINHUA in English*  
*1612 GMT 28 Jun 95*

[FBIS Transcribed Text] Guangzhou, June 28 (XINHUA) — A new type of credit card, issued by both a bank or credit card company and the business which accepts it, was issued here today in an attempt to reduce the amount of cash in circulation as well as to increase sales.

Similar to cards popular world-wide since the middle of the 1980s, the Peony Guangbai Credit Card is issued by the Guangzhou Branch of the Industrial and Commercial Bank of China (ICBC) and the Guangzhou Department

Store (Guangbai) under the aegis of Visa International. It is the first of its kind to be issued in South China.

Users of the new card can enjoy the same convenience as with other credit cards, but have access to particular services and discount rates provided by the participating businesses.

Sources here say that about 20 percent of the 600 million credit cards worldwide are of this type, a figure which is expected to rise to some 50 percent by the year 2000.

The ICBC Guangzhou branch has to date issued more than 800,000 credit cards of various types, about 40 percent of the total in use in the city.

Guangbai is one of the largest retailers here, with a sales volume reported at 954 million yuan (about 113 million US dollars) last year.

### Foreign Trade & Investment

#### Report on Success of AT&T Joint Venture

OW2806104095 Beijing XINHUA in English  
0923 GMT 28 Jun 95

[FBIS Transcribed Text] Shanghai, June 28 (XINHUA) — The AT & T of Shanghai, a Sino-US joint venture, has become the largest supplier of optical fiber telecommunications equipment in China since its establishment five years ago.

An official of the venture said that his company was set up in 1990 by the Netherlands-registered AT & T International Network System company and the Shanghai Optical Fiber Telecommunications Engineering Company.

The venture has increased its registered capital to 10 million U.S. dollars from 6.4 million dollars in 1990, the official said, adding that the venture's output value shot to 38 million dollars in 1994 from 16 million dollars in 1991.

It plans to increase its output value to around 100 million dollars this year, he said.

Lying in the Caohejing New Technology Development Zone in Shanghai's southwestern suburbs, the venture mainly manufactures digital radios and various kinds of supporting network management facilities.

The venture currently has taken up 30 percent of China's telecommunications equipment market, the official said.

J.J.M. Ruster, the venture's chief operation manager, said that his company's success is due primarily to the implementation of the principle of putting quality and customers above all.

"We are doing our utmost to provide best products and services to our clients," he said.

#### U.S. Company To Build Large Chemical Plant

OW2806160495 Beijing XINHUA in English  
1540 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Du Pont, one of the big guns in the world of chemicals, is to build a large acetal polymer plant in China.

The American company signed a letter of intent in Beijing today, involving an estimated investment of 100 million US dollars for the proposed factory, which is to be built in Shanghai, China's leading industrial center.

Du Pont's partners are the China National New Chemical Materials Corporation and a Shanghai-based coking and chemical plant owned by the Pacific Chemical (Group) Corporation.

The joint venture is expected to start operation as early as the end of 1998 and have an annual output of up to 45,000 tons, making it one of the five largest acetal polymer sources in the world.

Eduard Van Wely, vice-president of Du Pont's engineering plastics division, said that the proposed facility will be the third Du Pont operation of its kind in the world, after those in Europe and the United States. Products here will not only supply the Chinese market, but also be exported to other Asian countries.

Acetal polymer is a kind of high-tech plastic used for machinery, electronics, automobiles, chemicals, and in the textile industry for its rigidity and resistance to fatigue and corrosion.

It is estimated that currently, annual world-wide market demand for acetal polymer is 400,000 tons, and has risen annually at 5 or 6 per cent, while the growth rate is as high as 10 per cent in Asia. China needs some 20,000 tons a year, and the demand is growing.

The planned project, the largest manufacturing facility of acetal polymer thus far in China, will put the country in a period of mass production.

Du Pont has put 180 million US dollars in China in setting up five solely- or jointly-funded ventures producing fibres, polymers, and agro-chemical products.

#### U.S. Auto Firm Sets Up Company in Jilin Province

OW2806171095 Beijing XINHUA in English  
1448 GMT 28 Jun 95

[FBIS Transcribed Text] Changchun, June 28 (XINHUA) — The FAW-Ford United Aluminum Radiator Company Ltd was set up today in this capital city of northeast China's Jilin Province, making it Ford's fourth company in China.



Jointly funded by China's No.1 Automobile Works (FAW) and Ford, the company involved an investment of more than 132 million yuan and registered funds of 52.9 million yuan, with each side responsible for 50 percent.

Scheduled to begin production next April, the company will produce 100,000 units next year, and 500,000 by the end of the century.

The radiators will be mainly used for the Jetta and Golf, cars produced by the No.1 Automobile Works & Volkswagen Corporation Ltd, and for the Audi, produced by FAW, as well as other Chinese cars, with 15 percent expected to be exported to the Asia-Pacific region.

Ford has built three auto parts joint-ventures in east China's Shanghai, all of which are going well, according to W. Wayne Booker, executive vice-president of Ford Corp.

The company that was set up today is Ford's first venture outside Shanghai. At present, Ford is looking at the possibility of three other projects with Chinese auto parts producers, including one for luxury cars in Shanghai, one for multi-purpose mini-buses in south China, and one concerning auto production in north China's Tianjin.

**Li Tieying Meets Japanese Business Delegation**  
OW2806104295 Beijing XINHUA in English  
0926 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Chinese State Councillor Li Tieying met here this afternoon with a delegation of the Tokyo Junior Chamber Incorporation (JC), and they exchanged views on issues of common concern.

The Tokyo Junior Chamber Incorporation, the largest local organization of the Japan Junior Chamber Incorporation, is a non-governmental economic body composed of businessmen of small and medium-sized enterprises.

The delegation, led by Chief of Directors of the JC Hiroshi Oshima, arrived here on June 27 as guests of the All-China Youth Federation. They are also expected to visit Shanghai and Suzhou.

**Netherlands Firm To Open Joint Venture**  
OW2806162795 Beijing XINHUA in English  
1342 GMT 28 Jun 95

[FBIS Transcribed Text] Wuhan, June 27 (XINHUA) — World-famous Dutch company Philips has set up an auto lighting company in central China's Hubei Province.

The company is a joint-venture with the Hubei Automotive Bulbs Factory, a leading special-utility bulbs producer.

Investment for the venture was tied to a 25-year contract, and the two partners will inject 29.8 million US dollars for the first project, with Philips supplying 70 percent of the total shares.

The joint venture will produce a complete series of lighting fixtures for automobiles and motorcycles, using the latest technology provided by the Philips.

It is expected that the joint venture will yield more than 120 million yuan in income by 1996. By the year 2000, the figure will climb to over 500 million yuan.

Stephen Yau, president of the joint venture, said that the company will not only serve China's electronics lighting industry, but develop into the largest electronics lighting production base in the Asian-Pacific region, or even in the world.

**Swedish ABB Group To Open 2d, 3d Operations**  
OW2906075795 Beijing XINHUA in English  
0716 GMT 29 Jun 95

[FBIS Transcribed Text] Xiamen, June 29 (XINHUA) — One of the largest electrical engineering companies in the world — Sweden's ABB Group — has decided on a second round of investment in Xiamen, in east China's Fujian Province.

The project of the Xiamen ABB Switch Company, one of ABB's 12 joint ventures in China, will be put into formal production by June 1996.

Officials with the company said that a third expansion project will be completed immediately after the second, with the two expected to bring two billion yuan in output value for the company.

The company was established in 1992 with investment reaching 12.5 million US dollars, and last year, had an income of 150 million yuan. The figure will double this year.

ABB has set up two other joint ventures in Xiamen and an executive with the company considers Xiamen the most suitable place for investment in China, or even in Southeast Asia.

He noted that ABB has plans to build an ABB Industrial Zone in Xiamen, which will be the first of its kind in China.

**Sino-Singapore Joint Packaging Venture Opens**  
*OW2906065195 Beijing XINHUA in English*  
0641 GMT 29 Jun 95

[FBIS Transcribed Text] Qingdao, June 29 (XINHUA) — The Qingdao Leigh-Mardon Packaging Company, a Sino-Singaporean joint venture, opened in this coastal city in Shandong Province Wednesday [28 June].

The plant is jointly run by the Qingdao Cigarette Factory and the Leigh-Mardon Pacific Packaging Company of Singapore. Its construction started two years ago and was completed at a total cost of 10 million U.S. dollars.

Registered in the Qingdao High-Tech Industrial Park, the venture has workshops with a total floor space of 9,000 square meters.

The partners in the venture have decided to spend another 10 million U.S. dollars on a second-phase project, scheduled for completion next year.

**Super Data-Controlled Switchboards Pass Inspection**

*OW2906064195 Beijing XINHUA in English*  
0606 GMT 29 Jun 95

[FBIS Transcribed Text] Xian, June 28 (XINHUA) — The new SP 30 super digital-controlled switchboards have passed technical inspection in Xian, the capital of northwest China's Shaanxi Province, and will soon be mass produced.

An assessment board, headed by Song Zhiyuan, a well-known expert on switchboards and a senior official with the Ministry of Posts and Telecommunications, believes that design of the super switchboard is state-of-the-art, and the system is perfectly suited for the 1990s.

The digital-controlled switchboard was developed by Xian's Datang Telephone Corp., a joint venture of two research institutes under the Ministry of Post and Telecommunications, and the American ITTI company.

According to engineers responsible for the design, they made full use of the latest technology of the 90s in designing the SP 30, which has such features as large capacity, powerful transmitting functions, convenience for centralized maintenance, and capable of handling both wire and wireless telecommunications services without additional equipment. The digital-controlled switchboard has a maximum capacity of 400,000 telephone lines.

The Sino-U.S. joint venture has a production capacity of one million switchboards a year and has produced 70,000 common switchboards already.

**Jiangsu Paper-Making Joint Venture Starts Operation**

*OW2806171195 Beijing XINHUA in English*  
1454 GMT 28 Jun 95

[FBIS Transcribed Text] Nanjing, June 28 (XINHUA) — The Jiangyin Yuen Foong Yu Paper Mfg. Co, a joint venture of a Taiwanese company and one in Jiangyin City, Jiangsu Province, has begun operations.

According to local officials, the company was financed by the Yuen Foong Yu Paper Mfg. Co of Taiwan and the Chengjiang Township Industrial Corp. of Jiangyin City, with a total investment of 30 million U.S. dollars, the Taiwanese company providing 94 percent of the investment and Jiangyin covering the remainder.

Principal equipment used in the joint venture was imported from Europe, the U.S., and Japan, with domestically produced products being used as auxiliary equipment, for an annual production capacity of 40,000 tons of white pasteboard, with a value of 200 million yuan.

White pasteboard is widely used for packaging of consumer goods of various kinds and light industrials products.

The joint venture began construction in May of 1994 and started trial operation in March this year after the first-stage of building was finished.

**Sino-Foreign Airport Ground-Service Business Set Up**

*OW2806170395 Beijing XINHUA in English*  
1331 GMT 28 Jun 95

[FBIS Transcribed Text] Guangzhou, June 28 (XINHUA) — China's first Sino-foreign joint-venture civil airport ground services operation was set up here today in the capital of Guangdong Province.

Singapore's DMES (CIAS SINAR SUPRA) is the very first foreign company to become involved in this aspect of China's civil aviation industry. The Chinese side of the joint venture, Guangzhou Baiyun International Airport Ground Services Co. Ltd., is Guangzhou's Baiyun International Airport.

The Singaporean side will be responsible for training the management and technical personnel for the joint venture, according to the contract.

It will also provide information on international aviation and advanced techniques of airport management, among other things.

Experts here said that the joint venture marks a new move by the local airport to bring its business practices in line with international ones.

**'Great Success' Claimed in Fighting IPR Piracy**

OW2806132895 Beijing XINHUA in English  
1242 GMT 28 Jun 95

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — The State Copyright Administration (SCA) claimed here today that China had great success in fighting intellectual property piracy in the first half of 1995.

"Ten publishing houses and workshops were closed down, fined, or had pirated goods confiscated," said a spokesman at the SCA, adding that some serious cases have been taken to court.

A detailed plan has also been worked out to enable officials and company executives to learn the ABCs of copyright law.

"The cases we have cracked have mainly involved pirated computer software, compact discs, and films," the spokesman said.

The SCA is following up leads on a case involving piracy of several imported blockbuster movies which hit Chinese cinemas recently, the official revealed, but gave no details.

Previous copyright cases of pirated US films "The Fugitive" and "Jurassic Park" have been solved and the culprits have been punished.

A recent raid conducted jointly by the SCA and the Industrial and Commercial Administration in Zhongguanchun, China's 'Silicon Valley', resulted in the arrest of several unlicensed software producers and peddlers, according to the spokesman.

Another basic job completed in the first half was to provide CD production lines nationwide with a system of source identification marks on every make and model. All CD factories have re-registered with the SCA on their own.

"A clear indication is that cheap pirated products can hardly be found on the streets any more, especially, compact discs," the spokesman said.

However, he warned that the anti-piracy campaign will not be finished after just one or two battles.

"As the pirates have become more interested in CD-ROM and television programs, anti-piracy activities in these areas will be listed as a priority," he said, adding that local pirates protecting their actions will also be targeted for the remainder of the year.

**Guangzhou Trade Fair Scheduled for 5-11 Jul**

OW2906090995 Beijing XINHUA in English  
0825 GMT 29 Jun 95

[FBIS Transcribed Text] Guangzhou, June 29 (XINHUA) — Six hundred investment projects will be announced during the 1995 Guangzhou Fair that will be held in the China Export Commodities Fair Exhibition Center here from July 5 to 11.

Calling for a total investment of 160 billion yuan, the projects will include the expansion of a coking plant by the Guangzhou Iron and Steel Group, joint production of multi-cylinder diesel engines by the Sichuan Internal Combustion Engines Plant, joint ship dismantling by the Guangzhou Marine Fishery Company and the expansion of a cotton mill in the Xinjiang Uygur Autonomous Region.

The annual fair, the third of its kind, will cover a total exhibition floor space of 20,000 square meters. It will have 800 booths, including 150 booths for companies from France, Germany, Japan, the Republic of Korea, Switzerland, the United Arab Emirates, Hong Kong and Macao.

During the first two fairs, 246 economic and technological cooperation contracts were signed, to the tune of nearly nine billion yuan, and deals worth 1.32 billion yuan were struck.

**Agriculture**

**Wang Bingqian Urges Nation To Help Cut Soil Erosion**

OW2906060195 Beijing XINHUA in English  
0502 GMT 29 Jun 95

[FBIS Transcribed Text] Beijing, June 29 (XINHUA) — A Chinese senior official has called on the whole nation to try to cut soil erosion.

Wang Bingqian, vice-chairman of the National People's Congress Standing Committee, said the country must strictly enforce the Law of Water and Soil Conservation and enhance the people's awareness of the importance of the matter, he said.

Speaking at a seminar to mark the fourth anniversary of the implement of the law, Wang promised to put an end to serious cases which cause new soil erosion.

Statistics show that China has more than 1.5 million sq km of deserts and sandy areas, and the country is one of the countries that suffers desertification and soil erosion most in the world.



The government has made painstaking efforts to curb the erosion over the past years and it has reached part of the aims.

Soil erosion in a total area of 140,000 sq km in Northwest China is now being brought under control.

And, efforts to combat soil erosion on the upper reaches of the Chang Jiang River, China's longest, have begun to pay off, as 33,000 sq km of land suffering from soil erosion since 1989 has been brought under control.

#### **Qinghai Launches IFAD-Aided Agricultural Project**

OW2906091095 Beijing XINHUA in English  
0838 GMT 29 Jun 95

[FBIS Transcribed Text] Xining, June 29 (XINHUA) — A comprehensive agricultural development project with the aid of the International Fund for Agricultural Development (IFAD) has begun to be executed in Hainan Tibetan Autonomous Prefecture, northwest China's Qinghai Province.

The project will involve 348 million yuan in total investment, including 20 million U.S. dollars in a loan to be extended by the IFAD, according to an official of the Qinghai Provincial Department of Agriculture and Forestry.

This is the largest agricultural development project ever undertaken by the IFAD in China.

A leading official of the Hainan Prefecture said yesterday that the project will involve the construction of pastures and water conservation facilities, the upgrading of low-yield farmland, the establishment of rural factories, development of forestry, education among local Tibetans and the spread of new techniques.

The project will be undertaken by 330 villages in the prefecture's five counties and will benefit 86 percent of Hainan's population, he said.

The IFAD will also provide farm machines, production techniques and managerial expertise to the prefecture, he said.

#### **Fruit Exports Reported Increasing**

OW2906090895 Beijing XINHUA in English  
0841 GMT 29 Jun 95

[FBIS Transcribed Text] Beijing, June 29 (XINHUA) — China increased its fruit exports by 19 percent to 500,000 tons in 1994, partly by expanding the boundaries of its market which was previously limited in a few neighboring countries, customs statistics show.

As reforms have had a noticeable effect on the enthusiasm of fruit growers, the country witnessed a record fruit harvest of 35 million tons last year, with outstanding increases in the amount of apples, pears, grapes, and bananas.

Exports of oranges and tangerines accounted for the largest proportion, reaching 137,600 tons, a rise of 48,900 tons.

Exports of pears amounted to 97,000 tons, a jump of 27,000 tons.

Dried apricots, plums, and raisins were also sold as far away as Britain, the United States, and Japan.

Apple exports, however, dropped by 12,000 tons to 107,000 tons. Exporters attributed the decline to problems of size and color as compared with requirements of the international market.

They also pointed out that China's fruit exports are still far behind other major fruit producing countries.

**East Region**

**Fujian Stresses Cadres' Role in Family Planning**

*HK2906071995 Fuzhou Fujian People's Radio Network in Mandarin 2300 GMT 19 Jun 95*

[By reporter Ren Huiying]

[FBIS Translated Excerpt] The third congress of the Fujian Provincial Family Planning Association was ceremoniously convened in Fuzhou on 19 June. Provincial leading members Jia Qinglin, Chen Mingyi, Zhao Xuemin, Wang Lianghuan, and Wu Haoran, as well as old comrades Hu Tong and Cheng Xu, attended the congress to extend their congratulations.

Provincial party committee Secretary Jia Qinglin delivered an important speech. He said: To augment the building of the family planning association is one of the organizational guarantees for doing a good job in family planning work. The organization of Fujian's family planning association has developed rapidly. At present, it has spread to the village level, covering all grass-roots units in urban and rural areas. The outstanding task for family planning association lies precisely in giving full play to its functional role in five aspects: Taking the lead, publicizing, rendering service, monitoring, and exchanging experience. [passage omitted]

Secretary Jia Qinglin indicated that Fujian's progress and accomplishments in family planning work, and in the family planning association over the past five years were inseparable from the effective promotion and selfless dedication of a large number of old comrades. This has been a great advantage of the provincial family planning association. The provincial party committee and government have greatly supported the work of old comrades in this arena, and have attached great importance to it. Party and government leadership at all levels also must attach importance to the role of old comrades.

Jia Qinglin stressed in particular that the participation of old comrades in family planning work has enabled party and government leadership at all levels to devote more time and energy to grasping reform, opening up, and economic construction. However, party and government leadership must not cultivate the idea of relying on them totally, but must adhere to the principle of chief responsible persons in the party and government grasping this matter personally. Jia Qinglin stressed that fulfillment of the family planning task for this year remains arduous, and expressed his hope that party committees and governments at all levels would grasp vying for creating an advanced family planning association as a matter of importance, and would unfold

work based on the arrangements of the provincial family planning leading group. [passage omitted]

**Tourism Projects Lead Fujian Island Development**

*OW2906061895 Beijing XINHUA in English 0556 GMT 29 Jun 95*

[FBIS Transcribed Text] Fuzhou, June 29 (XINHUA) — The island of Dongshan in East China's Fujian Province has pooled over 600 million yuan in the past two years or more to set up a number of tourism projects, as the start of an ambitious program.

Another 400 million yuan is scheduled to be set aside for the second phase development for the second half of this year, sources said.

Rich in tourism and cultural resources, including the country's only state-level coastal forest park, the county accommodated more than 300,000 visitors last year. The figure is expected to climb to more than 500,000 this year.

The island has been listed as a state-level economic and technological development zone and a provincial-level tourism development zone.

The large-scale program, with funding partly coming from Hongkong, Taiwan, is to use 30 billion yuan in ten years to turn a 14-sq-km coastal area near Jinluan Bay into a modern tourist center.

More than 370 villas there have already been sold. Some other projects include a yachting recreational center and a holiday village, sources said.

Construction of more than 200 businesses as part of the program is being sped up. The program will concentrate on building 11 projects, including an island road, a restaurant street, and a five-star hotel.

**Jiangsu Committee's Plan To Implement 'Outline'**

*SK2806061195 Beijing XINHUA Domestic Service in Chinese 1559 GMT 27 Jun 95*

[FBIS Translated Text] Nanjing, 27 Jun (XINHUA) — After the the CPC Central Committee issued a circular on the "outline for the study of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics" [hereafter referred to as the "outline"], the Jiangsu Provincial CPC committee, in abidance with this circular, immediately came up with a plan to implement the spirit of this circular. In the provincial party committee's circular on conscientiously organizing the study of the "outline," the party committees at all levels throughout the whole province were urged to conscientiously organize the broad masses of cadres and party members to study the original work of Comrade Deng Xiaoping

in a profound manner. The study of the "outline" was also included in Jiangsu's three-year plan for studying the theory and studying the party Constitution. It was arranged carefully and implemented conscientiously.

The Jiangsu party committee urged efforts to focus on the study of the party members and cadres at and above the county level, take Volumes One, Two, and Three of the "Selected Works of Deng Xiaoping" as the basic teaching material, take the "outline" as the important supplementary material, study the original work carefully and thoroughly, master the "outline" through comprehensive study, and master its scientific system. In organizing the studying, we should clearly define the different requirements in an orderly manner, and adopt diversified and effective forms. First, we should achieve success in the two links—the study central groups of the party committees at all levels and the training in rotation of the party schools. The study central groups of the party committees at and above the county level throughout the whole province should uphold the system, improve methods, and seek substantial effects. In line with the resolution of the provincial party committee, the party school of the provincial party committee will start to hold the "outline" reading class for the leading cadres at the city and the department levels from July. Starting from the next half of this year, the party schools at the provincial, city, and county levels will train by turns all Jiangsu's leading cadres at and above the county level in a year. The party members and cadres of Jiangsu's party and government organizations, enterprises, and institutions at all levels should, in line with the requirements of the three-year plan for studying the theory and studying the party Constitution, achieve success in studying the "outline" after studying in depth the "Selected Works of Deng Xiaoping." As for the education of the college students throughout the whole province, we can offer courses on the "outline" directly, or enrich and revise the teaching material of the political theory classes in line with the spirit of the "outline." We should include the theory of building socialism with Chinese characteristics in the teaching material and in classroom study when the new semester begins in September this year. Regarding the education of the grass-roots party members, cadres, and masses in urban and rural areas, the Jiangsu Provincial party committee urged that we proceed from reality and really make use of winter training in rural areas, grass-roots party schools, rotary training of the workers' political schools, and so on to cultivate the backbone, develop the training step-by-step, and ensure that the task of training within three years is accomplished.

#### Jiangsu Cracks Down on Illegal Radio Stations

OW2906022795 Nanjing XINHUA RIBAO in Chinese  
5 Jun 95 p 1

[Notice Issued by Jiangsu Radio Regulatory Committee and Jiangsu Public Security Bureau on Cracking Down on Illegal Radio Stations" — XINHUA RIBAO headline]

[FBIS Translated Text] Jiangsu has seen a rapid growth in the number of radio stations. The proliferation of radio stations has played a great role in promoting economic development and in maintaining social stability. However, the illegal establishment of radio stations has become a quite serious problem in some areas. Some units and individuals, without going through the examination and approval procedures, have set up radio stations illegally; they have made unauthorized use of frequencies, thereby creating radio interference. Some criminal elements have used radio stations to engage in criminal activities. They have bought radio equipment through illegal channels; they have organized illegal clubs; they have encroached on, scanned, and monitored the radio communications of public security departments, political, legal, industrial and mining institutions, and other units; they have used foul language to interfere with normal communications. This has not only disrupted order on the airwaves but has also endangered state security and social stability. To enhance radio management and to maintain order on the airwaves, it has been decided to launch a province-wide crackdown on illegal radio stations and to punish those involved in establishment them according to the "Regulations on the Management of Radio Stations of the People's Republic of China," and in line with the guidelines set forth in the "Circular on Resolutely Cracking Down on the Illegal Establishment of Radio Stations" by the State Radio Regulatory Commission and the Public Security Ministry, and in line with the "Number Six Document issued in 1995 by the State Radio Regulatory Commission." The following notice is now issued concerning the handling of the crackdown:

1. All types of radio stations whose establishment has not been approved by radio regulatory departments and that are without radio station operation permits are illegal radio stations. Operators of all illegal radio stations, and those who have failed to go through proper procedures for the establishment of radio stations, shall immediately register with local radio regulatory committee office according to their line of trade and submit themselves to examination and approval procedures within 30 days of the announcement of this notice. Those who fail to act so within the announced period will be punished according to the relevant regulations.



2. Units and individuals who have installed and used large power and non-standard cordless telephones shall proceed to provincial and city radio regulatory committee offices for registration and for the removal and destruction of the equipment by their own initiative within 30 days of the announcement of this notice, or face forceful removal and destruction of the equipment and punishment according to the relevant regulations.

3. Those who oppose and obstruct the performance of official duties by radio management personnel will be punished by public security organs in accordance with the "Regulations on the Administrative Penalties for Public Security," and criminal responsibility will be sought against those whose acts constitute a crime according to law.

4. The masses should pass on information to provincial, city radio regulatory committee offices about those units and individuals who set up illegal radio stations; radio regulatory committee offices will reward those who provide them with true information about the illegal establishment of radio stations.

These are the telephone numbers of provincial and city radio regulatory committee offices:

Provincial radio committee office: 7713395  
Suzhou: 5239828  
Nantong: 5519171  
Huaiyin: 346787  
Wuxi: 2706329  
Changzhou: 6601304  
Yangzhou: 342644  
Xuzhou: 3730605  
Zhengjiang: 4420151  
Nanjing: 4404161  
Lianyungang: 5414504  
Yancheng: 362996

**Jiangsu Province Builds Second Expressway**  
*OW2806162895 Beijing XINHUA in English*  
*1346 GMT 28 Jun 95*

[FBIS Transcribed Text] Nanjing, June 28 (XINHUA) — East China's Jiangsu Province started building its second expressway today, linking the capital city of Nanjing with its new airport.

The highway will be 29 km long and is designed with six lanes, four of which will be built for express speeds of 120 km an hour.

The whole construction project will cost 600 million yuan and be completed in 1998, keeping pace with that of the new airport, which is expected to be completed in 1997.

The province now has only one expressway, which links Nanjing with Shanghai.

**Shandong Begins Cable TV Station Operation**  
*SK2906075595 Jinan Shandong People's Radio*  
*Network in Mandarin 2300 GMT 28 Jun 95*

[FBIS Translated Text] A ceremony putting the Shandong Cable Television Broadcasting station into operation was held at the provincial television broadcasting station studio on 28 June.

Cutting the ribbon for the opening of the cable television station were Dong Fengji, member of the provincial party standing committee and director of the propaganda department; and Wu Aiying, vice governor of the province.

On behalf of the provincial party committee, Dong Fengji delivered a speech at the ceremony, in which he extended warm congratulations on the smooth opening of the cable television station. He stated: Under the new situation in reform, opening up, and economic development, the radio and television broadcasting work has assumed increasingly important tasks. Comrades engaging in radio and television broadcasting work should uphold the correct guiding orientation of public opinions, vigorously upgrade the quality of programs, open the new programs of various categories, and enable the radio and television undertakings to play a greater role in promoting the construction of the two civilizations in the province as a whole.

Vice Governor Wu Aiying stated in her speech: Establishing the provincial cable television broadcasting station and the cable television network in the province generally represents the needs of developing economic and political situations in the entire province and of saturating the people's demands for television programs. Units from top to bottom across the province and departments at all levels should unify their thinking, give full cooperation, actively coordinate one another in dealing with various contradictions and problems encountered in building the cable television network project, and commonly make efforts to successfully build the cable television network in the entire province.

**Zhejiang Promotes Population Policy in Schools**  
*OW2906041995 Beijing XINHUA in English*  
*0336 GMT 29 Jun 95*

[FBIS Transcribed Text] Hangzhou, June 29 (XINHUA) — Lessons on population policies have been given in all primary and middle schools in Shengxian County of east China's Zhejiang Province.

Shengxian is the hometown of the late economist, educator and demographer Ma Yinchu.

Awareness of population policies has helped students improve their understanding of China's population conditions and the relationship between human beings and the environment, said Shi Yongping, president of the Ma Yinchu Middle School.

The lessons are not only on national conditions but also on patriotism, said Shi. Ma Yinchu Middle School has given lessons on population and puberty since 1987.

**Report Views Zhejiang's Environmental Protection**  
*OW2906084595 Beijing XINHUA in English*  
*0819 GMT 29 Jun 95*

[FBIS Transcribed Text] Hangzhou, June 29 (XINHUA) — In the process of constructing six major environmental protection projects in east China's Zhejiang Province, the province's environment has improved a lot, according to the deputy director of the provincial Environmental Protection Bureau.

The six environment protection projects include one hundred smoke and dust control zones, treating pollution in one hundred cement plants, building one hundred standardized protection zones for drinking water, and taking care of one hundred major polluters.

The province made the plan for the projects last year and pledged to finish them by the end of 1997.

Work on the smoke and dust control zones began in the 1980s, with factories and households being equipped with smoke and dust control devices in nine cities across the province. All factories that released an excessive amount of smoke and dust were either moved, made to stop production, or submit to pollution control measures. By 1990, all nine cities were smoke and dust control zones.

Since that time, the use of smoke and dust control zones has spread to other cities and towns across the province.

The control of pollution by cement factories began in 1992 when the provincial environmental protection bureau served notice that such pollution would have to be under control within five years. Thus far, 33 large and medium-sized cement factories have finished pollution control works.

Efforts have also been made to control noise pollution and to protect drinking water from becoming polluted.

The province also built some "biological villages" by using natural resources to increase the circulation of goods in nature and to reduce pollution. At present, 12 such villages have been built, three of them having got

the title of "global 500 bests" by the United Nations Environment Program.

The forest coverage rate of the province has reached 54.6 percent, the highest of Chinese provinces. The total area of nature reserves, forest parks, and tourist resorts topped 6,000 sq km, or 6 percent of the province's total area, which has greatly helped to protect natural environment.

## Central-South Region

**Beijing Intervenes in Shenzhen Kidnap Case**  
*HK2906060295 Hong Kong EASTERN EXPRESS*  
*in English 29 Jun 95 p 1*

[By staff reporters]

[FBIS Transcribed Text] The top Chinese leadership in Beijing has intervened in the kidnapping of a prominent Shenzhen businessman and ordered Wang Bing, the son of a former Chinese vice-president, who is believed to have been involved in the case, to go to Beijing for investigation.

According to sources in Beijing, it is understood that the Communist Party General-Secretary, Jiang Zemin, has instructed government departments to "handle" the case "properly". However, Jiang is believed to oppose severe punishment on Wang even if he played an active part in the case, fearing that the party's image would be undermined as a result. Jiang has notified veteran party leaders to remind them of "restraining the behaviour of their sons and daughters".

Chen Xianxuan, a former employee of the Chinese Ocean Helicopter Professional Company, was seized by six gunmen in Shenzhen last Saturday. Chen is believed to have owed the firm a large amount of money. The company, which runs coastal helicopter services, has links with the Chinese navy and was founded by Wang Bing, the elder son of the late Chinese vice-president, Wang Zhen.

Chen was released yesterday by the kidnap gang after the case was classified as a "commercial row" by the Shenzhen authorities, and was then handed to the Shenzhen Public Security Bureau (PSB) for further investigation.

A source told EASTERN EXPRESS that Chen borrowed 15 million renminbi (HK\$12m) from the Bank of China in 1988 for speculating in property in Shantou. The loan to Chen was guaranteed by the company. As Chen's wealth accumulated, he got to know the wife of the vice-chairman of the Chinese People's Political Consultative Conference, Ye Xuanping, and married a

daughter of the late vice-chairman of state, Wu Lanfu. Chen's relationship with Wang then turned icy. Chen left Wang's company and set up his own. Wang demanded that Chen repay the money he borrowed, but Chen only repaid part of it.

Chen was earlier kidnapped in 1991, at Wang's behest. At that time Wang told the PSB that Chen had earned his money through corruption and handed Chen over to them, but Chen was released because of his relationship with the Ye family. As Chen's relationship with the Ye family became detached and his marriage neared breakdown, Wang ordered the second kidnap of Chen to force him to repay the debt.

#### Guangxi Relays National Sci-Tech Guidelines

HK2906032395 Nanning Guangxi People's Radio  
Network in Mandarin 1130 GMT 13 Jun 95

[By station reporter Yang Xiaoping]

[FBIS Translated Excerpts] On the afternoon of 12 June, the Guangxi regional party committee and government called a teleconference on relaying and studying the guidelines of the national conference on science and technology in order to mobilize various departments at all levels across the region to study earnestly and grasp in depth the guidelines of the national science and technology conference. On this basis, the teleconference was to summarize experience, and to study and formulate the plan, policy, and measures for stepping up the pace in the region's scientific and technological development, while implementing the strategy of reinvigorating China with science and technology within the practice of reinvigorating Guangxi with science and technology, and thus pushing China's economic, scientific and technological, and social development to a new plane.

Regional government Vice Chairman Li Zhenqian presided over the meeting, while government Chairman Chen Kejie relayed the guidelines of the national science and technology conference, and made a mobilizing report on studying and implementing the decision by the Central Committee and the State Council on stepping up pace of progress in science and technology. Provincial party committee Secretary Zhao Fulin delivered an important speech. [passage omitted]

Zhao called on various departments at all levels to take action rapidly; to earnestly study and extensively propagate the guidelines of the national science and technology conference; to augment survey and study; to summarize practical experiences; and to convert the strategy of reinvigorating China with science and technology into the common action of the broad cadres, scientists, technicians, and people of various nationalities.

In his speech, Zhao Fulin stressed that party committees and governments must regard studying and propagating the decision and the guidelines of the national science and technology conference as an important matter for 1995. Leading cadres at all levels must take the lead in earnestly studying and changing ideological concepts, firmly establish the idea of science and technology's being the primary productive force, genuinely place the development of science and technology at the top of priorities, and give scientific and technological work prominence in daily work. At the same time, it is imperative to grasp well the study of the broad cadres, scientists and technicians, as well as the propaganda work among the masses, so that the decision of the Central Committee and the State Council and the guidelines of the national science and technology conference — especially Comrade Deng Xiaoping's thinking on science and technology's being the primary productive force and the strategy of reinvigorating China with science and education — will strike root in the hearts of the people and will be known to all so as to further augment the masses' sense of science and technology, thus giving rise to a strong impetus throughout society to promote progress in science and technology.

#### Hainan Focuses on Key Capital Projects

OW2906053195 Beijing XINHUA in English  
0426 GMT 29 Jun 95

[FBIS Transcribed Text] Haikou, June 29 (XINHUA) — Hainan, China's largest special economic zone, has spent 1.8 billion yuan on building key capital projects in the first half of this year.

Included are the Daguangba water conservancy and hydroelectric power station and the Yalongwan Tourism Zone.

The station began construction in 1990. So far four power generating units with a combined capacity of 240,000 kilowatts had gone into service by the end of March this year, and the water conservancy facilities had helped irrigate an additional 6,700 hectares of fields.

The zone, scheduled to serve as the main meeting center of the 1996 China Holiday and Tourism Event, has completed its first construction phase, including water- and power-supply equipment and roads, and is building tourist facilities.

In addition, construction of Hainan's 13 key capital projects is in full swing.



**Southwest Region****Further Reportage on Tibet Work Report****Part III, Continued**

*OW2906045995 Lhasa Tibet Television Network  
in Mandarin 1200 GMT 22 May 95*

[Second installment of three announcer-read reports on Part Three of Regional Chairman Gyaincain Norbu's Government Work Report delivered to the Third Session of the Sixth Autonomous Regional People's Congress on 15 May; from the "Regional News Hookup" program — Previous parts published in the 22 June China DAILY REPORT, pages 71-73]

[FBIS Translated Text] In part three of the government work report, Gyaincain Norbu said:

Second, we should make comprehensive efforts to improve public order and firmly combat crime. We should make comprehensive efforts to improve public order; seriously study and implement the autonomous region's Interim Regulations on Comprehensive Management of Public Security; step up efforts to combat crime in accordance with the principles of relying on the masses to combat and prevent crime simultaneously and of taking both stopgap and radical measures to deal with the problem, with emphasis on radical measures; take a further step to implement a system of responsibility for persons in charge of public security; carry out crime combating and prevention measures, as well as management, education, and reform measures; and implement the system of responsibility for ensuring public security at all levels. We should enhance the sense of political responsibility for ensuring public security among the leaders and the public security and judicial departments at various levels, promote in society the righteousness of daring to struggle against criminals, and use legal means to handle promptly and properly economic, civil and other disputes, and eliminate contradictions and factors of instability.

Third, we should step up propaganda and ideological work and persistently provide correct media guidance. The major tasks of the propaganda and ideological departments in this region are to apply practically the theory on building socialism with Chinese characteristics in Tibet; educate the cadres and the people in patriotism, socialism and national unity; educate them particularly well in the party's special policies for Tibet; enable the people to enjoy the warmth of the great family of the motherland; and give them confidence in the future of Tibet's development. Greater attention should be paid to carrying out education in the Marxist outlook on questions of nationalities and religions and in the

party's policies concerning nationalities and religions. Publicizing the guidelines of the Third Forum on Tibet Work and the Sixth Enlarged Plenary Session of the Fourth Tibet Autonomous Regional CPC Committee should remain a task of prime importance this year. We should carry out comprehensive, thorough, and meticulous publicity and education to identify the ideological understanding of the cadres and the people of all nationalities with the central authorities' policy decisions. In propaganda work toward foreign countries, we should make great efforts to publicize justly that Tibet is an inalienable part of China and use historical facts and the facts of Tibet's reality in unmasking the Dalai clique's political schemes and exposing the darkness of the feudal system and serfdom.

Fourth, we should strengthen grass-roots political power, step up ideological education for cadres, and improve their work style. Grass-roots organizations are the basis for our work and our fighting power. We should strive to attain the objective of building a good leading body, cultivating and training a good contingent of cadres, selecting a good way to develop the economy, having a good operating system, and establishing a good management system. We should set different demands for grass-roots organizations of different conditions and give different guidance to suit different conditions. We should continue to adhere to the policy of making the ranks of cadres more revolutionary, younger in average age, better educated, and professionally more competent, and to the principle of having both moral integrity and ability; uphold the two-inseparableness idea [Tibet is inseparable from the leadership of the Communist Party and from the socialist motherland]; and strengthen the ranks of cadres. All cadres — cadres of Han, Tibetan, and other minority nationalities alike — should carry on the glorious traditions of the cadres of the older generation in Tibet in having close contacts with the masses, working hard, and showing selfless dedication. It is necessary to promote the activities of learning from Kong Fansen, a model leading cadre of the new period, and to learn from the advanced deeds of No. 112 Heroic Unit of Qamdo, follow their examples, work in a down-to-earth way, and serve the people in Tibet wholeheartedly. The leading cadres at and above the county level in Tibet, bearing a heavy responsibility for reform, development and stability, must study hard Marxism-Leninism-Mao Zedong Thought and particularly Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics. They must establish a firm Marxist world outlook, an outlook on nationalities questions, and an outlook on religious questions; and make efforts to acquire more knowledge about the socialist market and about modern science

and technology. They should implement comprehensively and accurately the party's basic line and lead the masses in doing all work well, with the focus on economic construction. During the anti-split struggle, they must take a firm stand and effectively lead the masses in waging an unremitting struggle against splittist forces. In carrying on the party's good work style and fine traditions, they should set an example and play a leading role.

**More on Part III**

*OW2906050195 Lhasa Tibet Television Network  
in Mandarin 1200 GMT 23 May 95*

[Final installment of three announcer-read reports on Part 3 of Regional Chairman Gyaincain Norbu Government Work Report delivered to the Third Session of the Sixth Autonomous Regional People's Congress on 15 May; from the "Regional News Hookup" program]

[FBIS Translated Text] Gyaincain Norbu said: Fifth, we should properly handle our minority and religious affairs. Autonomy in areas inhabited by national minorities is an important political system of the state. To handle our minority affairs properly, we must fully enforce the law and uphold the system governing minority regions' autonomy. We should also enact supporting laws and regulations and establish the necessary supervisory mechanisms in light of Tibet's political, economic, and cultural characteristics, and in accordance with state laws and the guidelines laid down by the Third Central Forum on Tibetan Affairs. To make sure that people of minority nationalities in Tibet can fully exercise their rights of administering internal and state affairs, we should intensify our work governing minority townships. We must make great efforts to promote education among national minorities, foster outstanding minority cultures, respect the customs and habits of national minorities, and attach importance to the use and development of the Tibetan language. We should do everything possible to satisfy grass-roots units' needs by providing them with the books and reading materials they need for propagating party principles and policies, laws and regulations, and measures for reform; for popularizing the knowledge of practical science and technology; and for eradicating illiteracy. We must continue to pay attention to the teaching of the Tibetan language and actively promote bilingual teaching so that students will be proficient in both Tibetan and Chinese languages.

To manage religious affairs properly, we must correctly follow through with the party's religion policy. First, we must uphold the policy governing freedom of religion. We must continue to protect the legitimate rights and interests of monks and religious followers and protect their lawful religious activities. No state organs, mass

organizations, or individuals may force anyone to be or not to be a religious believer or to do anything discriminatory against religious followers or non-followers. Second, all religions must abide by state laws, regulations, and general and specific policies. No one may use religion to undermine the social order or do anything that is detrimental to people's health or obstructs the state's educational system. Using religion to divide the state and undermine national solidarity is strictly forbidden. Third, we must, in accordance with the law, tighten the management of lamaseries. Necessary rules and regulations should be enacted. We must never permit the resurrection of those abolished rules and regulations sanctioning feudal class privileges or exploitative and oppressive rights. Committees and panels for exercising democratic management of lamaseries should be established or improved so that the leadership is really in the hands of patriotic, law-abiding lamas and nuns. Fourth, we should support and encourage patriotic persons in religious circles to handle their jobs properly concerning lamaseries and religious followers, and to make new contributions to developing the economy and safeguarding stability. Fifth, we should, in accordance with religion-related policies of the party and state as well as relevant laws and regulations, ensure normal religious activities; respect freedom of religion; and firmly repudiate subversion, infiltration, and separatist activities launched by hostile forces outside Tibet in the name of religion. We should make sure that a reincarnation of the high living Buddha [da huo fo] is found according to the Central Government's measures as well as Tibetan Buddhism's rituals and historical traditions. Sixth, we should tighten our efforts to build a socialist democratic and legal system. To achieve the development objectives set by the Third Central Forum on Tibetan Affairs, we must mobilize all positive factors and give full scope to the initiatives and creativity of people of all nationalities; work out a comprehensive plan to coordinate the work in all sectors so that all projects can proceed in an orderly manner, step by step; and constantly understand and apply all objective laws as a matter of course. Making greater efforts to democratize decision making is crucial for promoting democracy. To gradually improve our democratic and scientific decision-making system, we should establish or improve decision-making mechanisms that make use of the different roles played by leading cadres, experts, and the masses. Governments and leading authorities at all levels should foster their democratic style; lend a willing ear to different views, including opposing views, of all sectors; work consciously to accept supervision from people's congresses and their standing committees; and fully respect the roles played by people's political consultative organs in providing political consultation,

in exercising democratic supervision, and in participating in and discussing state affairs.

Seventh, we must continue the fight against corruption and earnestly improve our leadership and work style. The fight against corruption is a protracted, formidable struggle which will persist along with our reform and opening up policy. We must uphold the Central Committee's anticorruption guidelines and basic principles, as well as the general plan for struggle in three areas. We must follow through with the Central Committee's new requirements and underscore thoroughness. Leading cadres at all levels must clearly understand the need to fight corruption, understand the gravity of the issue, and be aware of the need to promote work ethics while embarking on economic construction. We must combat complacency and battle-weariness [yan zhan qing xu] and keep on fighting corruption.

Gyaincain Norbu said: To rejuvenate Tibet in a big way, people of all nationalities in Tibet must, in the final analysis, carry forward the spirit of relying on their own efforts in building Tibet. Our cadres at all levels must clearly understand this need, move forward by taking advantage of current opportunities, heighten their spirit, fight in unity, earnestly improve their leadership and work style, exemplarily carry out all general and specific policies of the Central Committee and the regional party committee, and genuinely undertake the historical task of leading and organizing the masses to expedite economic development and safeguard stability in all regions and departments. We must go deep into the masses in grass-roots units, come up with practical measures for providing them with practical services, and use our actual performance to forge close, flesh-and-blood ties with the masses, and increase the party's and the government's rallying strength and appeal among people of all nationalities.

This year will mark the 30th anniversary of the founding of the Tibet Autonomous Region. This is an important event in the political life of people of all nationalities in Tibet. Thus, we must strive to accomplish the following projects, beginning now:

1. We must do good publicity work. We must energetically publicize central authorities' solicitude and the support of the rest of the nation for Tibet. We must energetically publicize the brilliant successes Tibet has achieved following its peaceful liberation and especially since becoming an autonomous region. We must energetically publicize the central authorities' strategy for Tibet's grand development — the strategy in which Tibet's bright future can be fully foreseen. We should consider the anniversary celebration an important as-

signment for 1995 and provide it with strong organizational leadership for successful accomplishment.

2. While the anniversary will be marked in a grand manner, it should also be simple and economical and not excessive, ostentatious, or wasteful.

3. Public security departments, security personnel, and the people's armed police should consider ensuring security during the anniversary celebrations an important political assignment to be successfully accomplished without fail.

In conclusion, Gyaincain Norbu said: Tibet is now facing excellent historical opportunities for development. Tibet's future is extremely bright. We are convinced that, guided by Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics, under the correct leadership of the party Central Committee with Comrade Jiang Zemin as the core, and with the energetic support from people in the rest of the country, we certainly can create a brand new situation for Tibet, as long as we follow through with the guidelines laid down by the Third Central Forum on Tibetan Affairs and as long as people of all nationalities in Tibet unite as one and are determined to build a better Tibet.

#### Gao Yan Replaces Pu Chaozhu as Yunnan Chief

HK2906033795 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 18 Jun 95

[By Jing Yongsheng and station reporter Wang Shizhong]

[FBIS Translated Excerpt] The Yunnan Provincial CPC Committee called an enlarged session this morning to relay and announce the decision of the Central Committee on reshuffling the position of the Yunnan provincial committee secretary. At the meeting, Wang Xudong, deputy director of Central Organizational Department, announced that the Central Committee recently decided that Comrade Gao Yan was to be appointed a member of the Yunnan Provincial CPC Committee and of its standing committee, as well as provincial committee secretary, and that Comrade Pu Chaozhu would no longer remain in the office of Yunnan Provincial CPC Committee secretary, and member of its standing committee. Comrade Pu Chaozhu presided over the meeting.

Provincial party committee Secretary Gao Yan, and Deputy Secretaries He Zhiqiang and Linghu An; provincial party committee standing committee members Zhang Baosan, Meng Jiyao, Wang Tianxi, Li Jie, Sun Gan, and Yang Jianqiang; Yin Jun, provincial people's congress party committee secretary; and Liu Shusheng, party group secretary of the provincial



Chinese People's Political Consultative Conference; attended the session, and were seated on the rostrum.

He Zhiqiang, Linghu An, Yin Jun, Lu Shusheng, Gao Yan, and Pu Chaozhu delivered speeches one after another. [passage omitted]

In his speech, provincial party committee Secretary Gao Yan said: Yunnan is at the forefront of opening border areas, and has both marked advantages in resources and great potential for development. For a long period, successive provincial party committees and leading bodies at all levels have made positive contributions to Yunnan's economic development, and have created and accumulated rich experience. From now on, the provincial party committee will firmly grasp the overall situation in the work of the whole party and country, will continue to persist in and develop fine experiences and traditions, will maintain the continuity and stability of policies, and will emancipate their minds, unite as one, and rely on the people of all nationalities in the province to create a new situation in Yunnan's economic and social development. [passage omitted]

### Northwest Region

**Xinjiang's Abdulahat Abdurixit Addresses Meeting**  
OW2906060595 Urumqi XINJIANG RIBAO  
in Chinese 13 Jun 95 p 1

[By reporter Shuai Qiaomei (1596 1564 2734): "To Realize This Year's Price Control"]

[FBIS Translated Text] At a regional meeting on the commodity price work and a teleconference on strengthening the work of commodity price management held on 12 June, Chairman Abdulahat Abdurixit called on cadres of all nationalities in Xinjiang to further mobilize themselves, achieve unity in thinking, carry out measures, and make more efforts in a comprehensive drive to achieve this year's price control goal.

While analyzing the current commodity price situation in our region, Abdulahat Abdurixit said: Since the beginning of this year, inflation has been curbed, with commodity prices declining each month. During the January-April period, commodity retail prices increased at an average rate of 20 percent, a drop of 5.6 percent as compared with the same period last year. In Urumqi, Shihezi, Changji, Korla, and Hami, the average price increase fell under 15 percent in some months, while the average price increase in Urumqi and Shihezi remained under 15 percent. Judging from the overall level in the region, price increase in our region dropped to a medium level from a relatively high level in the country. It should be noted that our region has achieved initial results in controlling price increases and inflation.

But while fully affirming our success, we should also have a clear understanding that the price increases in our region only dropped by a small margin and the commodity price situation remained very grave. The work to achieve this year's price control goal is still extremely arduous and requires us to make even more efforts.

In view of this situation, Abdulahat Abdurixit urged all localities to do the following: 1) They should further carry out the principle that prefecture heads and city mayors should be responsible for controlling price increases under 15 percent in this year. If localities cannot achieve this goal by the end of the year, their principal leaders should be held responsible for the failure. 2) Localities should focus on agricultural production and strive to reap bumper harvests. They should work hard to increase effective supply of farm and sideline products. 3) We should exercise strict discipline and continue a tight control so that new price readjustment projects will not be introduced. At present, conspicuous price contradictions do exist in various localities. But the commodity price situation is fairly severe. We should by no means set a precedent for another price readjustment. At least, the prices under control of the autonomous region and localities should not be increased during the third quarter. 4) Conscientious efforts should be made to control commodity prices in rural areas. 5) Efforts should be made to consolidate the circulation order, correct the practice of collecting unwarranted charges, and control the voluntary price increase. 6) Price control departments at all levels should further enhance supervision, make more efforts in inspection, strengthen the basic work and the building of the work force, and improve the level of price control work. 7) Governments at all levels should step up their leadership over the work of price control and ensure the realization of this year's price control goal.

**Xinjiang 'Expected' To Become Future Oil Base**  
OW2906055695 Beijing XINHUA in English  
0524 GMT 29 Jun 95

[FBIS Transcribed Text] Urumqi, June 29 (XINHUA) — As more and more oil and gas deposits are discovered in the basins in northwest China's Xinjiang Uygur Autonomous Region, it is expected to become China's new petroleum production base.

The oilfields in the region have so far produced an cumulative 134 million tons of oil, and they are expected to produce more than 13 million tons of crude oil this year.

In the 1950s, the first large oilfield was built in the region. Since the 1980s, more and more Chinese and

overseas oil exploration companies have come to drill for oil in the three basins, Tarim Basin, Junggar Basin and Turpan-Hami Basin.

By now, 38 oilfields, with an oil reserve of 1.8 billion tons and gas reserve of 160 billion cu m, have been discovered in the region.

In the recent years, the oil output of the region have been increasing by 10 percent per year.

Covering a total area of 720,000 sq km, the three basins are estimated to have 28 percent of the country's total oil reserves and 33 percent of the total gas reserves.

As the old oilfields in the eastern part of the country have become aged in operation, the western part becomes the important strategic replacement area of China's petroleum industry.

**XINHUA Commentary Views Li's Actions**  
*OW2806165895 Beijing XINHUA in English*  
1649 GMT 28 Jun 95

["Li Teng-hi Attempts To Trade Money for Principle: Commentator" — XINHUA headline]

[FBIS Transcribed Text] Beijing, June 28 (XINHUA) — Li Teng-hui is attempting to trade money for principle when he offers to pay one billion US dollars to get an entrance ticket for Taiwan into the United Nations, a XINHUA commentary says.

The commentary quoted Li as saying that because Taiwan has some one-hundred billion U.S. dollars in foreign exchange reserves, it should be able to join the United Nations. "The words are so unusual on the world political stage that they will no doubt come as a shock to people," the commentary goes on to say.

Li is a politician whose political credit has always been in doubt even in Taiwan, and he has come to think of UN member nations as well as the great number of developing countries as a group who don't think about reputation in the world, but instead look only at the bucks in Li's pocket.

By suggesting this, Li is insulting UN members and the UN charter, and developing countries as well, the commentary says.

After Li's bout of "Vacation Diplomacy", "Celebration Diplomacy", or "Schoolmate Diplomacy" ended, people in Taiwan and in other places had heard him denying actions supporting "Two Chinas" or "One China, One Taiwan".

Now, however, according to the commentary, he is comparing the cross-straits situation with that of the two Germanies and two Koreas. What he is hinting at quite clearly is that there should be two Chinas.

Everybody in the world knows that the two Germanies and two Koreas were the result of specific historical conditions of the Second World War, it said, and each of them is a sovereign state. But the two sides of the Taiwan Straits were the result of the Chinese revolutionary war, meaning that the old Chinese government

was replaced by the new — and only the sovereign state can be a member of the UN.

Thus, Li's true intention of creating "Two Chinas" has been exposed yet again.

In this respect, Li is attempting to deceive the public by comparing two things that have completely different characteristics and to misdirect international opinion. In his view, UN members just are toys to be manipulated or played with.

The Chinese government has reiterated that it is not opposed to non-governmental economic and cultural relations between other countries and Taiwan. Chinese diplomatic offices in foreign countries are also carrying the burden of protecting the interests of the Taiwan compatriots there.

"Only after the peaceful reunification is accomplished can the Taiwanese compatriots and other Chinese of all ethnic groups truly and fully share in the dignity and respect that our great motherland has attained internationally," Jiang Zemin said in his eight-point speech before the Spring Festival this year.

We believe the Taiwanese compatriots will fully understand the meaning of this statement and they can share with us the anticipation of the early completion of reunification, the commentary concluded.

A Hong Kong-based newspaper has pointed out that Li has been quickening his pace in implementing the policy of an independent Taiwan, and has been striking whenever and wherever he finds the chance. The remark about offering a price is no doubt just another step down the road toward his "Independent Taiwan".

It was just this smug self-satisfaction that lead Li to be swollen-headed enough to take such an action. However, the UN is not just some kind of commodity that can be bought and sold and put into Li's handbag for some cash.

Moreover, it will not result in a windfall or a fortune for the Taiwanese if Li continues insisting on his policy of separation and confrontation, and everyone will see his attempt fail, was the commentary's final analysis.



**Lien Chan Comments on Mainland****Criticizes System**

OW2906015095 Taipei China Broadcasting Corporation News Network in Mandarin  
2300 GMT 28 Jun 95

[From the "Hookup" program]

[FBIS Translated Text] Possibly in response to a tirade of unfriendly moves made and invectives poured out lately by Communist China against Taiwan, Premier Lien Chan also used strong words, which he has rarely used before, in criticizing Communist China's despotic and dictatorial nature while meeting with a visiting Hakka group from the United States. He also blamed Communist China for resorting to every conceivable means to split Overseas Chinese organizations and groups.

At a meeting with a 29-member visiting Hakka group from the United States headed by (Chen Ming-chen) in the afternoon of 28 June, Lien Chan said that foreign countries know full well about Taiwan's progress and development in the economic and political areas and that it is impossible for the Chinese Communists to cover the heavens with one hand.

Executive Yuan officials who were present at the meeting said that they have rarely seen Lien Chan use such harsh and blunt terms to lash out at the Chinese Communists' moves of splitting Overseas Chinese organizations and groups and of applying pressure against Taiwan. Lien Chan said Communist China should know that China is also a part of the world. It should not stay aloof from the world democracy tide. In his speech, Premier Lien Chan again called on Communist China to respect human rights.

**Calls Beijing 'Totalitarian'**

OW2906032495 Taipei CNA in English  
0157 GMT 29 Jun 95

[By Lilian Wu]

[FBIS Transcribed Text] Taipei, June 28 (CNA) — Premier Lien Chan, in an unusually harsh statement, termed the Beijing regime as "totalitarian in nature" and blasted it for doing everything possible to split overseas Chinese.

Lien made the remarks while receiving a 29-member delegation comprised of Hakka Taiwanese living in the United States Wednesday morning.

Lien said the economic and political progress Taiwan has made in recent years is known to the world, and that Beijing could not hope to "cover up the truth." He

was referring to Beijing's efforts to stifle Taiwan in the international community.

He urged Beijing to open its eyes to the fact that Mainland China is part of the world and cannot separate itself from the global trend of democracy. He also urged Beijing to improve its human-rights record, address the needs of mainland people and upgrade living standards.

Lien also expressed his admiration for the Hakka delegation, saying that they have contributed to the harmony and solidarity of Overseas Chinese. He especially touted their unswerving patriotism toward Taiwan despite Beijing's effort to court them.

Lien's blast came during a nadir in Beijing-Taipei relations, following president Li Teng-hui's historic visit to the United States and Lien's visit to Austria, Hungary, the Czech Republic earlier this month.

Li's and Lien's visits marked the beginning of Taiwan's efforts to break out of the international isolation imposed on it by Beijing.

**Official Rejects Hong Kong-Style Reunification**

BK2906102295 Hong Kong AFP in English  
0959 GMT 29 Jun 95

[FBIS Transcribed Text] Taipei, June 29 (AFP) — Taiwan would reject any Hong Kong-style "one country two systems" formula for reunification with China, a high-ranking official said here Thursday.

Vincent Siew, chairman of the cabinet-level Mainland Affairs Council that lays down Taipei's policy toward its communist rival, said Taiwan wanted to strengthen ties with Hong Kong "to lay the foundation for reunification."

But he added: "Future Hong Kong-Taiwan links will be a testing ground for future Taiwan-mainland relations."

Siew told a seminar that links with Hong Kong, which reverts from British to Chinese rule in 1997, "should not go backwards" after the territory comes under Beijing's control.

China has agreed that Hong Kong will keep its capitalist system and identity for at least 50 years after 1997. It has offered a similar deal for the handover of the Portuguese enclave of Macao in 1999.

Siew said "we hope Beijing keeps its commitment to our compatriots in Hong Kong and Macao."

But he said Taiwan would "definitely refuse to accept even an attempt to impose 'one country, two systems'."

Beijing, which has regarded Taiwan as a renegade province since driving the nationalists off the mainland

in 1949, has offered the formula to Taiwan. It has said Taiwan could keep its military, government and capitalist system if it joins the "motherland."

Taiwan, which also considers itself the legitimate representative of all China, has proposed a "one country, two areas, two equal political entities" policy, stressing the separate governments.

Taipei wants to retain its offices in Hong Kong after 1997 and would seek to expand business, transport, finance, journalistic, and cultural programs to narrow differences and lay the foundation for reunification, Siew said.

He also asked China authorities to act with "pragmatism and reason" over Taiwan's attempts to gain greater international recognition.

China has suspended two high-level dialogues with Taiwan in an escalating dispute over President Li Teng-hui's private visit to the United States this month.

"We are always sincere to improve ties across the Taiwan Strait, and our efforts seeking greater international recognition should not be considered destructive to cross-strait sentiments," he said.

Chinese authorities postponed meetings with Taiwan officials over Li's visit and that by Prime Minister Lien Chan to Austria and the Czech Republic.

Beijing accusing Li of trying to push for independence and made a new warning that it would use military force to stop Taiwan making a complete break.

China has also condemned Taiwan's attempts to regain the United Nations seat it lost to Beijing in 1971. Taiwan this week offered to set up a one billion US dollar fund to help developing nations if readmitted to the United Nations.

#### **Li Decides To Postpone Overseas Travel**

*OW2906020695 Taipei TZU-LI WAN-PAO in Chinese*  
*20 Jun 95 p 2*

[FBIS Translated Text] It has been learned that after their respective visits to the U.S. and Europe, President Li Teng-hui and Premier Lien Chan will make no overseas visits from the second half of this year until next spring's presidential election. This decision was made mainly to avoid escalation of cross-strait tension and to strive for a triumph in the year-end legislative elections.

Sources close to the president pointed out: Li's U.S. visit and Lien's Europe visit represent major achievements in Taiwan's pragmatic diplomacy. From now on, maintaining victories and policy assessment will be the focus of our tasks. It is not the best policy for us to blindly

promote diplomacy without coordinating with relevant departments internally and it is time we make an overall adjustment to our foreign, domestic, and mainland policies. Therefore, we will no longer promote high-level diplomacy this year.

It has been learned that policy-making officials did not expect President Li to visit the U.S. in May. A policy-making official said: We knew it was just a matter of time for President Li to visit the U.S., but we never expected he would materialize the visit in May. However, Lien Chan's Europe visit was an item in our plan. Originally, Lien Chan's visit was scheduled for early June following the Dragon Boat Festival. Affected by President Li's U.S. visit, it was postponed to mid-June. Now, we have achieved our goals to make Li's U.S. visit and Lien's Europe visit come true. What we should do next is to assess the internal and external situations after the two visits and then adjust our policies.

This decision made by policy-making officials virtually implies that Li Teng-hui will not attend the Sino-U.S. Economic Joint Meeting scheduled for September in Alaska and the Asia Pacific Economic Cooperation summit scheduled for November in Osaka, Japan. Although Li will not attend the two meetings because of policy considerations, we will continue discussing the possibility of his participation in these two events, the source said.

The decision that Li and Lien will not take any more trips abroad from the second half of this year until next March was made partly because of the domestic political situation. According to the source, the Kuomintang [KMT] will start to safeguard its regime after a KMT presidential candidate is selected at the second plenary session of the 14th KMT Congress in August. If the KMT continues doubling efforts in promoting overseas visits by the head of state and neglects the importance of internal stability during this period, it is putting the cart before the horse.

#### **Chien Fu Says Taiwan Entitled To Enter UN**

*OW2906010095 Taipei LIEN-HO PAO in Chinese*  
*27 Jun 95 p 2*

[FBIS Translated Text] Yesterday was the 50th anniversary of the signing of the UN Charter. Foreign Minister Chien Fu sent a letter to UN Secretary General Butrus Butrus-Ghali and all the foreign ministers of UN member states, except for Mainland China and Outer Mongolia, to address directly and formally Taiwan's stance on its UN bid.

This letter-sending strategy is the latest taken by the government in the third year of implementing its plan

to promote Taiwan's UN bid. The letter disclosed that during the UN General Assembly sessions in September and October this year, the government intends to adopt a plan that has been promoted over the past two years for establishing a study committee, so that Taiwan's UN case can be put on the General Assembly's agenda.

At yesterday's news conference, Vice Foreign Minister Fang Chin-yen said that after consulting countries friendly to Taiwan, the government has decided to take this step. Therefore, adopting this measure has a certain political significance, coming as a response to friendly nations' support of Taiwan's UN bid. In the letter, Chien Fu called on the UN to seek a solution to the problems of the Republic of China's [ROC] inability to enter the UN and urged UN member states to support the inclusion of Taiwan's UN bid in the General Assembly agenda.

Fang Chin-yen said: This letter, sent by Chien Fu using his ROC foreign minister title, was faxed to UN Secretary General Butrus-Ghali yesterday. With the assistance of friendly nations, Taiwan hopes the letter will become a formal UN document and will be distributed to all UN member states.

In the letter, Chien Fu emphasized that UN Resolution 2758, adopted in 1971, solved the UN representation problem only for the Chinese people living on the mainland; at the same time, it deprived the ROC's 21 million people of their right to participate in any activities in the UN system. The ROC has been a sovereign state since its founding. Although it withdrew from the UN in 1971, it has been committed to achieving political democratization and economic development. As an active member of the international community, the ROC currently maintains diplomatic and substantive ties with many nations and is entitled to participate in the UN.

This letter also pointed out: As a peace-loving state, the ROC is able and willing to carry out the obligations of the UN Charter. Even after it was forced to withdraw from the UN in 1971, the ROC continued to uphold the spirit of the UN Charter. To support the ROC's UN bid would not only serve as a testament to the lofty goals and ideals of the UN Charter but would accommodate the principle of preventive diplomacy, which encourages reconciliation. We hope that the UN can seek a solution to the problem of the ROC's inability to participate in the UN and would like to call on UN member states to support the inclusion of Taiwan's UN bid in the General Assembly agenda.

#### Taiwan To Use Fund To Help Countries

OW2906041495 Taipei CNA in English  
0210 GMT 29 Jun 95

[By Flor Wang]

[FBIS Transcribed Text] Taipei, June 28 (CNA) — Foreign Affairs Ministry spokesman Rock Leng on Wednesday said the US\$1 billion fund proposed by the ministry after this country re-joins the United Nations would be used to help the world's underdeveloped countries.

Leng's remarks came following an announcement made on Monday by Vice Foreign Affairs Minister Feng Chin-yen that the ministry would donate US\$1 billion to the New-York based international organization if the UN allowed the Republic of China [ROC] back in.

Leng said the offer was not a unilateral one coming from the ROC Government, but was made in conjunction with friendly countries. He stressed that the money has been offered as a payback by the government to the international community and would not be used to help relieve UN debts.

Countering claims by Mainland China that the ROC is trying to buy a UN seat, Leng said the offer is in fact a concrete step by the government to play a more constructive role in the international arena, and was made public with the approval of the Executive Yuan and the presidential office.

Although the ROC had repeatedly expressed willingness to take part in world aid projects under the UN framework, it has always been refused because it is not a UN member, Leng said. Becoming a member of the UN would allow the ROC to make greater contributions to the world, he added.

#### Mutual Trust Key To Cross-Strait Relations

OW2906040995 Taipei CNA in English  
0146 GMT 29 Jun 95

[By Flor Wang]

[FBIS Transcribed Text] Taipei, June 28 (CNA) — Mainland Affairs Council [MAC] Chairman Hsiao Wan-chang said on Wednesday that the government's economic policy toward Mainland China is market-oriented and that long-term trade and commercial ties with the mainland are being built on a mutually beneficial base.

Hsiao made the remarks while giving a keynote speech on cross-strait relations and the government's economic policy toward Mainland China at the Taiwan Institute of Economic Research.



Hsiao said a flexible and pragmatic approach to Taiwan-mainland economic ties is the central feature of the government's strategy to boost cross-strait relations, adding that the government will take advantage of the flexible nature of the Taiwan economy to promote cross-strait economic exchanges.

As the government has adopted a market-oriented approach in building economic relations with Mainland China, Hsiao said many unnecessary restrictions on bilateral trade and commercial exchanges will be lifted, with the government building a comprehensive new system regulating cross-strait economic activities and negotiations.

That system includes the plan to set up offshore transshipment centers at Taiwan's major ports and to further widen cross-strait economic talks and assist Taiwan businessmen on the mainland. In the long-term, the government will help Mainland China enhance its agricultural-development program and work out a cooperative formula to make industries in Taiwan, the mainland, Hong Kong and Macao more prosperous, according to Hsiao.

Hsiao said that although the government is willing to take steps necessary to enhance cross-strait economic ties, a friendly response from Mainland China is essential in moving things ahead because the first step toward developing a more lasting relationship is the showing of mutual trust.

**Commission Approves \$245 Million in Investments**

*OW2906040695 Taipei CNA in English*  
*0115 GMT 29 Jun 95*

[By Benjamin Yeh]

[FBIS Transcribed Text] Taipei, June 28 (CNA) — The Investment Commission on Wednesday approved US\$258 million in overseas investments, including one jointly filed by Taiwan Cement Corp. and China Synthetic Rubber Co., who plan to take over the US-based Continental Carbon Co. at a cost of US\$45 million.

A proposal by Taiwan Synthetic Rubber to set up a plant in Mainland China also received the green light from the commission. The US\$24.5 million project, to be carried out through Singapore, calls for the construction of a plant to produce styrene-butadiene products.

A US\$15 million plan by Yuen Foong Yu Paper Manufacturing Corp., Taiwan's leading paper company, to establish a paper company across the Taiwan Strait was also approved. In addition to producing and marketing paper products, the new company will offer consulting, design and printing services.

Among others who had investment applications approved were Wei Chuan Food Co., Delta Electronic, Eternal Chemical Co. and China Rebar Corp.

**Trade With Mainland Continues To Increase**

*OW2906040895 Taipei CNA in English*  
*0127 GMT 29 Jun 95*

[By Benjamin Yeh]

[FBIS Transcribed Text] Taipei, June 28 (CNA) — Indirect trade between Taiwan and Mainland China continued to pick up steam during the first four months of the year, hitting US\$6.689 billion, or a whopping growth of 25.6 percent on a year-earlier level, according to customs tallies.

A trade imbalance remained in Taiwan's favor, however, at US\$4.687 billion — an increase of 27.1 percent over a year ago.

During the January-April period, Taiwan's shipments to the mainland stood at US\$5.688 billion, a healthy growth of 36 percent. Imports from the mainland, meanwhile, surged by 102.2 percent to US\$1.001 billion. The Board of Foreign Trade (BOFT) attributed the spurt to the government's easing of restrictions on mainland imports.

In April alone, mainland-bound shipments were worth US\$1.707 billion, a marked growth of 41.2 percent on a year-earlier level, as compared with the 114.8 percent growth rate for imports from the mainland, which totaled US\$282 million.

"With the policy continuing regarding the further opening (of the Taiwan market) to mainland semi-finished products, the trade gap ought to be further narrowed," a BOFT official forecast.

Industrial raw materials and parts were the backbone of Taiwan's exports to the mainland in the four-month period. Man-made fibers and cloth commanded 31.5 percent of Taiwan's shipments to the mainland, followed by the 14.5 percent share of plastic materials, the 14.1 percent share of electrical appliances and electronic parts, and the 7.2 percent share of machinery.

Exports of all the above items increased except for machinery, sales of which were curbed following the levying of extra import duties by Mainland China.

**Chiang Travels To Geneva To Outline 'Hub Plan'**  
*OW2906041295 Taipei CNA in English*  
0152 GMT 29 Jun 95

[By Maurus Young & Benjamin Yeh]

[FBIS Transcribed Text] Geneva, June 28 (CNA) — A 40-member delegation from Taiwan will outline the country's Asia-Pacific operation-hub plan during a four-day international seminar that opens here Thursday (29 June).

Economic Affairs Minister P. K. Chiang, leader of the Taiwan delegation, will speak at the opening and participate in a question-and-answer session to follow. His speech, entitled "Taipei — Asia's New Finance and Business Center," will be televised by Euro News, a popular TV station in Europe.

The annual event — Forum Crams Montana — is sponsored by the Fondation du Forum Universale, and will gather more than 700 ranking government officials, senior bankers, and business leaders from eastern and central Europe, the Middle East, and Asia.

Sources said French Prime Minister Allan Juppe, World Trade Organization Secretary-General Renato Ruggiero, Russian Prime Minister Viktor Chernomyrdin, Georgian President Eduard Sheverdnadze, Belgian Prime Minister Jean-Luc Dehaene and Slovak Prime Minister Vladimir Meciar are due to attend this year's forum.

Swiss Foreign Minister Flavio Cotti and Chiang are also expected to hold a meeting.

Among the Taiwan delegates are Hseuh Chi, vice chairman of the Council for Economic Planning and Development; Yu Cheng, chairman of Chiao Tung Bank; Douglas Hsu, chief executive officer of Far Eastern Textile Group; and Jeffrey Ku, chairman of Chinatrust Commercial Bank.

The forum was founded in 1989 with the specific aim of finding ways to facilitate trade and economic development in central and eastern Europe after the demise of communism. The gathering has developed

into the second biggest economic forum after the World Economic Forum, also headquartered in Switzerland.

**Minister Says Anticorruption Drive Paying Off**  
*OW2906040795 Taipei CNA in English*  
0121 GMT 29 Jun 95

[By Lilian Wu]

[FBIS Transcribed Text] Taipei, June 28 (CNA) — Justice Minister Ma Ying-jeou on Wednesday criticized a survey saying official corruption in Taiwan is the worst among the four Asian "little dragons," claiming that the government has actually made a lot of progress in cleaning itself up.

After Wang Jen-huog, chairman of the Research, Development and Evaluation Commission, reported on reforms aimed at increasing government efficiency at the ruling Kuomintang's Central Standing Committee Wednesday morning, Ma commented on the survey, by ASIAN INTELLIGENCE.

In its survey of multinational businesses operating in Asia, ASIAN INTELLIGENCE said Mainland China suffers the most from official corruption, followed by India, Indonesia, the Philippines, Thailand, and Malaysia. Taiwan was listed next, followed by South Korea, Hong Kong and Japan. The city-state of Singapore, the fourth "little dragon," was listed as the cleanest government.

Ma said that despite the fact Taiwan was listed as being "more corrupt" than the other three "little dragons," it was still less corrupt than most other Asian countries and ranked as the fifth- cleanest government among the 11 countries. Taiwan was ranked as only the 7th- cleanest government three years ago in the same survey, an indication that its anti-corruption campaign has borne fruit.

But Ma also said kickbacks are still being made to government officials, adding that the government has to make a greater effort to combat the corruption.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

- Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.
- Headlines and all bracketed explanatory notes are supplied by FBIS.
- Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

### **SUBSCRIPTION INFORMATION**

#### **U.S. Government Customers**

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS  
P.O. Box 2604  
Washington, DC 20013-2604  
Telephone: (202) 338-6735  
FAX: (703) 733-6042

#### **Non-Government Customers**

Subscriptions are available from the National Technical Information Service:

NTIS  
5285 Port Royal Road  
Springfield, VA 22161  
Telephone: (703) 487-4630  
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.



**END OF**

**FICHE**

**DATE FILMED**

3 July 95

